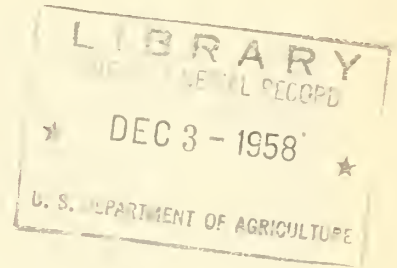


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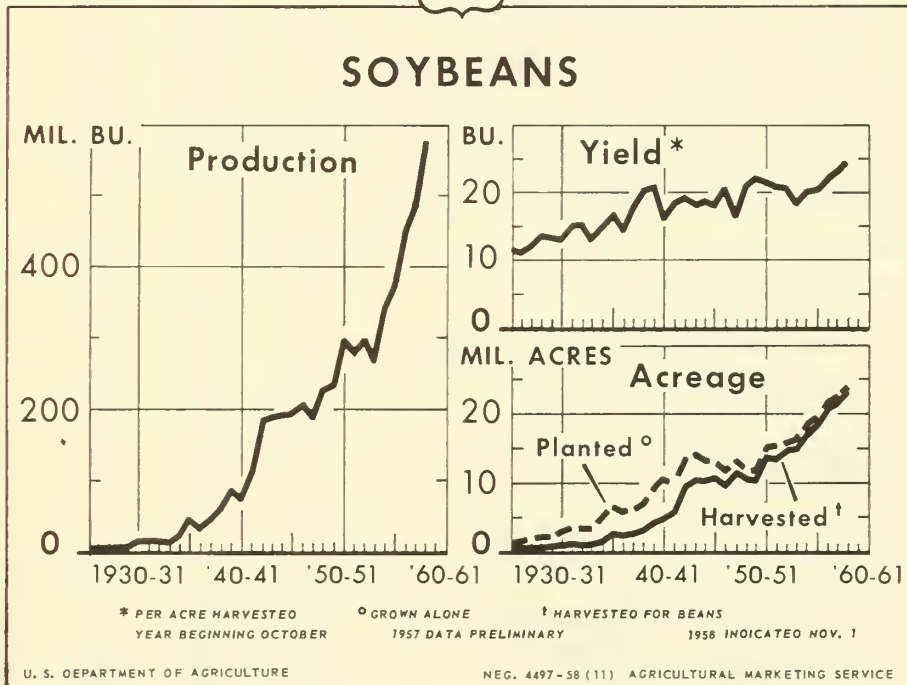




The

FATS and OILS SITUATION

FOS - 193



Soybean production has shown a strong upward trend, reflecting up-trends in both acreage and yield per acre. The 1958 soybean crop is placed at 575 million bushels, up 95 million bushels or 20 percent from last year. This year's bumper crop is the result of the largest acreage ever harvested along with record yields. Soybean out-

put has more than doubled since 1953.

Farm prices for 1958 crop soybeans during the heavy harvesting months are averaging slightly less than the support rate of \$2.09 per bushel. Prices later in the season probably will return to near the loan level but will not exceed it by any substantial margin.

Table 1.--Wholesale prices per pound for fats and oils at selected markets

Item	Oct.		1958		
	1956	1957	Aug.	Sept.	Oct.
	Cents	Cents	Cents	Cents	Cents
Butter, creamery, Grade A (92-score) bulk, New York.....	62.3	60.5	58.9	61.1	
Butter, creamery, Grade B, (90-score) bulk, Chicago.....	60.0	59.1	57.1	59.9	
Castor oil, dehydrated, tanks, New York.....	24.4	28.2	27.6	27.6	27.6
Castor oil, No. 1, tanks, f.o.b. New Jersey mills.....	19.8	23.1	21.0	21.0	21.0
Castor oil, No. 3, technical, drums, carlots, f.o.b. N. Y.....	17.6	22.4	20.3	20.3	
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mill 1/....	13.8	12.9	14.0	14.5	
Coconut oil, crude, tanks, Atlantic ports (tax included).....	15.1	16.8	18.0	18.4	19.1
Coconut oil, Cochín type, refined, drums, N. Y. (tax included):	19.0	---	---	---	---
Cod oil, Newfoundland, drums, New York.....	11.6	11.5	9.3	9.1	9.4
Codliver oil, medicinal, U. S. P., barrels, New York.....	18.9	19.5	18.9	18.4	18.2
Corn oil, crude, tank cars, f.o.b. Midwest mills.....	13.7	13.2	12.7	12.1	
Corn oil, refined, tanks, New York 2/.....	19.6	20.0	17.1	15.9	16.1
Cottonseed oil, crude, tank cars, f.o.b. S. E. mills.....	13.3	12.7	11.8	11.4	
Cottonseed oil, p.s.y., bleachable, tank cars, New York 3/.....	15.5	14.9	13.5	13.1	13.1
Cottonseed-oil foots, raw (50 percent T.F.A.) delivered East....	1.9	2.4	1.4	1.3	1.3
Cottonseed oil, refined, drums, New York.....	19.2	19.5	20.1	18.0	17.4
Degras, common, barrels, New York.....	10.0	10.0	10.0	10.0	10.0
Glycerin, soaplye, basis 80 percent, tanks, New York.....	15.0	14.5	16.5	16.5	16.7
Grease, A white, tank cars, f.o.b. Chicago.....	6.8	8.0	7.5	7.4	
Grease, yellow, tank cars, f.o.b. Chicago.....	5.8	7.2	6.8	6.8	
Lard, loose, tank cars, Chicago.....	12.2	11.9	12.8	11.5	
Lard, prime steam, tierces, Chicago.....	11.9	11.5	13.4	12.7	12.8
Lard, refined, 1-pound cartons, Chicago.....	16.9	16.3	17.7	17.1	17.0
Linseed oil, raw, tank cars, Minneapolis.....	13.1	14.8	13.6	13.1	
Linseed oil, raw, drums, carlots, New York.....	16.4	18.4	17.1	16.6	16.7
Margarine, white, domestic vegetable, Chicago.....	26.2	27.0	26.0	26.0	26.0
Menhaden oil, light pressed, tanks, New York.....	11.5	12.0	10.5	10.5	10.5
Neat's-foot oil, 300, drums, carlots, New York.....	28.0	28.0	28.0	28.0	28.0
Oiticica oil, drums, f.o.b. New York.....	15.8	19.1	18.0	18.0	18.0
Oleo oil, extra, drums, Chicago.....	18.2	18.8	17.9	17.8	17.8
Oleostearine, barrels, New York.....	12.9	14.2	14.4	13.9	13.8
Olive oil, imported, edible, drums, New York.....	44.7	36.0	33.2	33.3	32.9
Palm oil, Congo, drums, f.o.b. New York 4/.....	14.9	15.0	14.0	14.0	
Peanut oil, crude, tank cars, f.o.b. S. E. mills.....	15.5	15.5	16.5	15.2	
Peanut oil, refined, drums, New York.....	19.9	21.7	22.5	22.5	22.5
Rapeseed oil, refined (denatured), tanks, New York.....	19.5	16.6	16.0	16.0	15.2
Safflower oil, nonbreak, tanks, f.o.b., West Coast.....	14.5	14.8	15.0	14.5	14.5
Safflower oil, nonbreak, tanks, East Coast.....	15.8	15.8	16.4	16.4	15.8
Sesame oil, refined, drums, New York.....	38.0	38.0	38.0	38.0	38.0
Shortening, Containing Animal Fat, 1-pound cartons, Chicago....	29.8	30.4	30.1	30.5	30.4
Shortening, Cottonseed, hydrogenated, 10-drum lots, New York....	22.1	22.2	20.5	20.2	20.2
Soybean oil, crude, tank cars, f.o.b., Midwest mills.....	12.5	11.3	10.0	9.8	
Soybean oil, refined tanks, New York.....	15.3	14.5	12.7	12.6	12.6
Soybean oil, clarified, tanks, New York.....	14.8	13.4	12.2	12.0	12.3
Sperm oil, natural, 450, drums, New York.....	15.8	17.2	15.6	15.2	15.2
Tall oil, refined, tanks, works.....	5.2	5.5	5.5	5.5	5.5
Tallow, edible, loose, Chicago.....	12.3	11.7	11.7	10.8	
Tallow, inedible, packers' prime, tank cars, f.o.b. Chicago....	6.8	8.0	7.6	7.4	
Tallow, No. 1, inedible, Chicago.....	6.1	7.4	6.9	6.8	7.0
Tallow, special, inedible, tanks, delivered, New York.....	7.1	8.3	7.9	7.7	7.6
Tung oil, imported, drums, carlots, f.o.b. New York.....	22.3	25.3	23.0	22.6	
Tung oil, tanks, New York.....	22.3	23.8	21.4	21.1	20.8
Tung oil, domestic, tanks, f.o.b. mills.....	23.0	22.8	21.5	21.3	21.1

1/ Three-cent processing tax suspended during October 1957-June 1960.

2/ Prior to April 1958, reported as drums.

3/ Near-by futures.

4/ Tax excluded. Tax does not apply to palm oil used in the manufacture of iron or steel products, tin andterne plate. Since 1943 these are the major uses of palm oil.

Prices compiled from Oil, Paint, and Drug Reporter; The National Provisioner; The Journal of Commerce (New York); Wall Street Journal, Chicago edition; reports of Bureau of Labor Statistics, and reports of the Agricultural Marketing Service. Excise taxes and duties included where applicable.

 T H E F A T S A N D O I L S S I T U A T I O N

Approved by the Outlook and Situation Board, November 14, 1958

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SUMMARY

The outlook for fats and oils in the 1958-59 marketing year is influenced largely by the record supplies of edible fats, oils and oilseeds. Beginning stocks of food fats (including oil equivalent of soybean carryover) on October 1, 1958 were somewhat larger than a year earlier and output is up sharply. Prospects are that the total supply of edible fats, oils, and oilseeds in 1958-59 will be about 15 percent greater than the 11.7 billion pounds (oil equivalent of oilseeds) for the year just ended. Supplies of all oilseeds and peanuts are abundant and farm prices in 1958-59 are likely to average near support levels, but below a year ago.

With availabilities of food fats (including oil equivalent of oilseeds) in 1958-59 well in excess of domestic requirements, a large buildup in soybean stocks will take place despite a heavy export movement of food fats and oils and soybeans. Present indications are that exports of food fats and oils (including oil equivalent of soybeans) through September 1959 may be somewhat larger than the 2.6 billion pounds moved out last season but below the 2.9 billion shipped abroad in 1956-57. Competition in world markets will continue strong as exportable supplies remain heavy in some foreign countries.

A heavy export movement of edible oils from the U. S. is expected to result from another large P. L. 480 program, which probably will exceed last year's 690 million pounds. About 160 million pounds of exports under P.L. 480 in 1958-59 will consist of programs carried over from last year, compared with

only 45 million pounds a year earlier. As new P. L. 480 programs in 1958-59 are expected to call for at least as much edible oils as last year, the level of exports will be in part determined by the percentage of 1958-59 program oil that is shipped prior to October 1, 1959. Exports financed by ICA are not likely to be large and regular commercial sales for export probably will do well to hold the 1957-58 level. Total exports of edible oils are currently forecast between 1,100 to 1,300 million pounds compared with 1,053 million last year. The level of our edible oil exports, soybean crush and stocks in 1958-59 could be affected by CCC's policy, not yet announced, with respect to the disposition of any cottonseed oil acquired under the support program. While current prospects point to a favorable outlook for exports in 1958-59, any significant change in estimates of foreign oil crops or in international developments could materially increase or decrease the demand for U. S. fats, oils and oilseeds.

Domestic disappearance of food fats and oils in 1958-59 is expected to average about 45 pounds (fat content) per person, close to the year-earlier rate. The pattern of consumption by end use is expected to roughly parallel that indicated for 1957-58. During 1957-58, the apparent use of margarine, shortening, and salad and cooking oils was above the rate for 1956-57. Per person use of margarine set a new record in 1957-58, while butter remained about the same as the previous year.

The 1958-59 supply of soybeans is placed at 596 million bushels, 106 million more than last year's peak. Farm prices during most of the 1958 harvesting season are expected to average a little under the support rate of \$2.09 per bushel. Prices later in the season likely will return to the loan level but probably will not exceed it by any significant margin.

Soybean crushings in 1958-59, based primarily on projected requirements for soybean meal, are forecast at 375 million bushels, about 20 million more than last season, and well within the estimated 425 million bushel capacity of the industry. As indicated above, level of soybean crush will be affected by CCC policy on cottonseed oil. A bean crush of 375 million bushels would produce more oil than needed for domestic use, and a substantially larger quantity than last year would be available for export or carryout stocks. Present indications are that soybean oil prices during 1958-59 marketing year will average moderately lower than a year earlier. Soybean meal prices are expected to be more stable than in 1957-58 and probably will average somewhat lower.

Soybean exports in 1958-59, continuing the uptrend of recent years, are forecast at 90 million bushels, up about 4 million from last season. If estimated seed and feed requirements are about the same as last year and crushing and export estimates are reasonably accurate, carryover stocks of soybeans on October 1, 1959 might be as much as 100 million bushels, compared with 21 million this year. Most of these would be in the hands of CCC.

Cottonseed production in 1958 is placed at 4,864,000 tons, nearly 6 percent more than a year ago. Prices to farmers are expected to average a little above the support price of \$41 per ton (CCC purchase price to producers, basis

grade, 100), and about \$5 to \$10 below last year. Farm prices in some areas of the Southwest dropped below support this fall and CCC is acquiring some cottonseed oil through arrangements whereby crushers are taking seed at support and delivering oil to CCC on a competitive bid basis. The volume of oil acquired by CCC under the program this year probably will not exceed 15 percent of the 1958 cotton oil output.

Lard output in 1958-59 is currently forecast at 2,700 million pounds, up over 250 million pounds from last year. The increase would reflect a rise in hog slaughter as well as a slightly higher lard yield per hog killed. Lard prices this fall and winter may not average much less than in 1957-58. However, lard prices in the second half of the marketing year probably will average lower. Exports of lard may rise slightly from the relatively small outward movement last year. Lard currently is not being offered for shipment under P. L. 480.

Butter output in 1958-59 may be slightly below the 1.5 billion pounds produced yearly from 1953 through 1958. Butterfat support prices have been at 75 percent of parity since April 1, 1958, and prices to farmers have averaged 1 to 2 cents less than a year earlier. Wholesale butter prices increased in September with the seasonal downturn in production but have since receded to pre-September levels. Prices in 1959 probably will continue near support levels which now are at 75 percent of parity, the lowest permitted by present legislation. The actual level of support for the dairy marketing year to start next April 1 will be announced before that time.

The 1958 peanut crop is placed at 1,886 million pounds compared with 1,445 million produced in 1957. The 1958 bumper crop will provide a large surplus of peanuts above food and farm uses and CCC will acquire the excess under the support program. Prices to farmers are expected to average slightly less than the 10.3 cents per pound received last year, reflecting a 4 percent reduction in support price. Bigger supplies of peanuts available in the 1958-59 season along with somewhat lower prices will encourage the continuing increase in consumption for edible uses. Nevertheless, diversion of CCC peanuts into crushing and export channels during the coming year will be much heavier than a year earlier.

Flaxseed production in 1958 is indicated at 40 million bushels, 55 percent larger than the small crop of 1957. The crop is likely to be about 25 percent more than probable commercial uses and CCC will acquire the surplus. Farm prices for 1958 crop flaxseed have moved downward this marketing year and currently are somewhat under the support price. The season average farm price will be slightly less than the support price of \$2.78 per bushel and well below the \$2.94 per bushel received last year.

Supplies of tung oil in the 1958-59 marketing year are placed at about 96 million pounds, roughly 21 million more than last year. This would be enough tung oil to satisfy domestic requirements for two years at current consumption levels. Current prospects indicate tung oil prices to producers will average near the support level which is a little higher than last year.

Large carryover stocks (nearly all in the hands of CCC) along with the oil likely to be imported under the quota and the bumper 1958 crop will keep prices from rising above the support level during the marketing year.

Inedible tallow and grease output in 1958-59 is forecast at 2,800 million pounds, about 3 percent above a year earlier. The rise would reflect mainly a prospective 9 percent increase in hog slaughter, as cattle slaughter is expected to continue near the 1957-58 rate. Current prospects indicate inedible tallow prices in 1958-59 may average little lower than last year. The strength of export demand will be an important price-making factor as little change in domestic disappearance is expected. Tallow is not currently being offered for shipment under P. L. 480.

SOYBEANS

Prospects for 1958-59

Soybean Output Continues Sharp Uptrend; CCC Acquisitions Expected to be Heavy

Soybean production in 1958 as indicated November 1 is placed at 575 million bushels, 95 million bushels or 20 percent above last year's record high. The bumper crop is the result of the largest acreage of record -- about 23.4 million acres for harvest as beans, 13 percent above last year -- along with record yields. Indications on November 1 point to a yield of 24.6 bushels per acre compared with the previous record of 23.1 bushels last year and the average of 20.3 bushels.

The season has been favorable beyond all expectations, and record yields are almost universal. In most of the important producing areas crop conditions were never better. Though the crop matured a little later than usual, harvesting was nearly complete by the first of November.

The tremendous crop is expected to result in a big buildup of soybeans in storage. Before 1957-58, farm prices had consistently averaged above support and carryover stocks had been consistently low. The CCC takeover of 1957 crop beans totaled about 44 million bushels but 30 million bushels were sold and only the remaining 14 million bushels were carried over by CCC into the 1958-59 marketing year. Total carryover stocks of 1957 crop soybeans, including the 14 million bushels held by the Government, were 21 million bushels, 11 million above the same date a year earlier. While this is a new record carryover, it nevertheless represents only about 4 percent of the huge 1957 crop. Because prospective 1958-59 supplies are in excess of probable requirements, soybeans going under support will be heavy and CCC takeover likely will be substantial. Next summer, CCC probably will again be a supplier of beans and will own a substantial carryout of old crop beans next October 1.

Demand for Soybean Meal
Big Factor in Level of
1958-59 Crush; Crushing
Capacity is Sufficient;
Big Bean Carryover in Sight

Total supplies of soybeans in the 1958-59 marketing year (carryover stocks on October 1, 1958 plus production) are placed at 596 million bushels, 106 million more than last year's peak and sharply in excess of probable total market outlets (table 2).

Demand for soybean meal is expected to continue generally favorable in 1958-59 and is likely to be the most important determinant in the level of soybean crushings. In the past, oil was usually considered the main factor as demand has increased for the ever-increasing output of meal. The outlook for soybean meal is more favorable in 1958-59 than for oil because (1) total requirements will be higher due to an anticipated 4 percent increase in high-protein feed-consuming animal units and (2) the feeding rate of protein feeds per animal unit has trended upward. Based primarily on the projected requirements for soybean meal, the 1958-59 soybean crush is forecast at around 375 million bushels, roughly 20 million more than last season, although the level of crush could be affected by CCC's policy for cottonseed oil. A bean crush this size would produce about 4.1 billion pounds of crude soybean oil, around 0.3 billion more than in 1957-58, and about 8.8 million tons of soybean meal, approximately 0.5 million above last year.

Domestic demand for soybean oil in 1958-59 is expected to continue strong but will face increased competition from larger supplies of lard and cottonseed oil. The competition from cotton oil will be reduced to the degree that it is acquired by CCC and withdrawn from the domestic market. For this reason, domestic use of soybean oil probably will remain at or above the 1957-58 record level of 3.1 billion pounds. Therefore, it appears that a bean crush of 375 million bushels would produce from three-quarters to one billion pounds of soybean oil in excess of domestic requirements, and this would become available for export or carryover stocks.

Crushings of soybeans during the 1957-58 season reached a record 354 million bushels, 38 million above a season earlier (table 4). Monthly crushings last season picked up momentum as the season progressed and in May 1958 set a new record of 32.2 million bushels. Crushings were then maintained just a little under that rate until September 1958 when they dropped to 25 million bushels. September is the month most mills shut down for cleaning up and repairs before starting to operate on new crop beans. The monthly average crush during 1957-58 was 29.5 million bushels compared with 26.3 million in 1956-57. The season average oil outturn of 10.7 pounds per bushel of soybeans processed compares with 10.9 pounds in 1956-57. The smaller yield probably was due to lower oil content of the beans as virtually all domestic soybeans are crushed by the efficient solvent-extraction technique. Oil outturns during the 1952-56 season averaged close to 11 pounds per bushel. The 1957-58 season average yield of soybean meal per bushel crushed was 46.8 pounds, down 0.7 pounds from the previous year.

Table 2.--Soybeans: Supply and disposition,
crop years, 1952-58

Item	Year beginning October							Forecast <u>2/</u>	
	1952	1953	1954	1955	1956	1957	1958	1959	
	<u>1/</u>								
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	
<u>Supply</u>									
Stocks, Oct. 1	3.6	10.1	1.3	9.9	3.7	9.9	21.1	100	
Production	298.8	269.2	341.1	373.5	449.4	479.8	575.0		
Total supply	302.4	279.3	342.4	383.4	453.2	489.7	596.1		
<u>Disposition</u>									
Crushed	234.4	213.2	249.0	283.1	315.9	353.8	375		
Exports	31.9	39.7	60.6	67.5	85.4	85.5	90		
Seed and feed	20.7	22.9	23.4	26.1	26.2	28.2]	31		
Residual <u>3/</u>	5.3	2.2	-6	3.0	15.8	1.1]			
	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>		
<u>Price per bushel</u>									
Support	2.56	2.56	2.22	2.04	2.15	2.09	2.09		
Received by farmers	2.72	2.72	2.46	2.22	2.18	2.08			
<u>Price and value of products</u>									
Meal, per ton <u>4/</u>	67.55	78.63	60.70	52.55	47.45	52.83			
	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>	<u>Ct.</u>			
Oil, per pound <u>5/</u>	12.1	13.5	11.9	12.5	12.7	10.9			
	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>	<u>Dol.</u>			
Combined value <u>6/</u>	2.91	3.34	2.69	2.61	2.51	2.40			

1/ Partly estimated.2/ Except stocks October 1, 1958. Production indicated November 1.3/ Includes fed to livestock on farms other than where produced, direct use for food and statistical discrepancies.4/ Bulk, Decatur.5/ Crude, tank cars, f.o.b., Midwest mills.6/ Combined (weighted) value of products per bushel crushed. Not directly comparable with U. S. average soybean prices.

Table 3.- Soybeans: Yield, price and value of products per bushel of soybeans crushed, and price spread, United States, 1947-57

Year begin- ning October	Oil		Meal		Total		Soybean price		Spread between value of products and soybean price	
	Yield	Price 1/	Value	Yield	Price 1/	Value	Farm	No. 1 yellow Illinois points	Farm	No. 1 yellow Illinois points
	Pounds	Cents	Dollars	Pounds	Cents	Dollars	Dollars	Dollars	Dollars	Dollars
1947	9.5	23.7	2.25	46.4	4.04	1.87	3.33	3.66	.79	.46
1948	9.8	13.1	1.28	46.1	3.30	1.52	2.27	2.36	.53	.44
1949	9.9	12.3	1.22	47.0	3.22	1.51	2.16	2.52	.57	.21
1950	9.7	17.8	1.73	46.8	3.22	1.51	2.47	2.97	.77	.27
1951	10.0	11.3	1.13	46.7	4.17	1.95	2.73	2.97	.35	.11
1952	10.8	12.1	1.31	47.4	3.38	1.60	2.72	2.78	.19	.13
1953	11.0	13.5	1.48	47.4	3.93	1.86	2.72	3.26	.62	.08
1954	10.9	11.9	1.30	45.8	3.04	1.39	2.46	2.55	.23	.14
1955	11.1	12.6	1.40	46.0	2.63	1.21	2.22	2.51	.39	.10
1956	10.9	12.7	1.38	47.5	2.37	1.13	2.18	2.33	.33	.18
1957 2/	10.7	10.8	1.16	46.8	2.67	1.25	2.08	2.19	.33	.22

1/ Simple average price per pound using the following quotations: Soybean oil, crude, tank cars, f.o.b. midwest mills; soybean meal, bulk, Decatur, quoted as 41 percent prior to July 1950, 44 percent beginning July 1950.

2/ Preliminary.

Table 4.--Soybeans: Crushings and yields of oil and meal per bushel crushed, exports and price, by months crop years 1950-57

Crushings													
Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1950	19.6	22.8	24.7	25.1	22.5	24.8	22.0	21.3	17.9	17.8	18.8	14.8	252.0
1951	21.6	23.1	23.2	24.0	22.5	21.5	20.1	19.7	18.6	17.5	17.5	15.0	244.4
1952	22.5	22.0	21.4	21.6	18.7	20.4	19.2	20.7	17.3	16.3	18.7	15.7	234.4
1953	21.3	20.3	20.8	20.8	18.9	19.3	17.6	17.5	15.4	15.4	14.8	11.1	213.2
1954	21.7	22.2	21.2	21.5	19.8	19.5	20.0	21.0	22.1	21.3	19.9	18.7	249.0
1955	25.4	25.4	23.9	24.4	24.5	25.4	25.3	24.6	22.2	20.4	21.8	19.9	283.1
1956	27.9	26.6	27.0	28.4	26.6	28.9	27.3	26.5	24.7	24.4	25.4	22.2	315.9
1957 ^{1/}	28.1	29.2	28.4	31.1	27.1	30.8	31.5	32.2	28.7	30.0	31.6	25.1	353.8
1958													
Yield of oil per bu. crushed													
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1950	9.7	9.5	9.5	9.6	9.6	9.7	9.7	9.8	9.9	9.9	10.0	10.1	9.7
1951	10.0	9.8	9.6	9.7	9.9	10.1	10.1	10.1	10.2	10.2	10.2	10.4	10.0
1952	10.6	10.5	10.6	10.7	10.7	10.9	10.8	10.9	11.0	11.0	11.2	11.1	10.8
1953	10.8	10.8	10.9	11.0	11.1	11.1	11.0	11.0	11.1	11.3	11.2	11.2	11.0
1954	10.9	10.8	10.8	10.8	10.8	10.8	10.9	10.9	11.0	11.0	11.0	11.0	10.9
1955	11.0	10.9	11.0	11.0	11.1	11.1	11.1	11.1	11.2	11.2	11.4	11.1	11.1
1956	10.8	10.7	10.7	10.7	10.8	10.8	10.9	10.9	11.0	11.0	10.9	11.0	10.9
1957 ^{1/}	10.9	10.7	10.6	10.6	10.7	10.7	10.7	10.8	10.8	10.9	10.8	10.8	10.7
1958													
Yield of meal per bu. crushed													
1950	46.3	47.0	46.7	47.0	47.1	46.9	46.7	46.9	46.7	46.4	46.9	46.8	46.8
1951	46.4	46.5	46.7	46.9	46.8	45.9	46.4	46.5	46.7	46.8	47.7	46.9	46.7
1952	47.9	47.1	47.4	47.0	47.4	47.5	47.5	47.3	46.8	47.4	47.6	47.3	47.4
1953	47.5	47.5	47.6	47.4	46.5	47.4	47.7	47.5	47.2	47.9	47.9	46.3	47.4
1954	46.0	45.7	45.8	45.7	45.6	45.5	45.6	45.7	46.1	46.2	46.1	45.9	45.8
1955	45.7	46.0	45.4	43.6	45.9	46.1	46.2	46.4	46.5	46.6	47.1	46.2	46.0
1956	47.1	47.5	47.7	47.5	47.3	47.6	47.6	48.1	48.0	47.9	47.6	46.5	47.5
1957 ^{1/}	46.4	46.7	46.7	46.7	46.4	46.6	46.9	47.1	46.6	47.7	46.8	47.2	46.8
1958													
Exports													
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1950	.6	4.3	5.6	1.8	1.8	2.4	3.3	4.4	1.8	1.3	.3	.1	27.8
1951	1.2	3.5	2.6	1.1	2.4	.8	1.5	.6	.7	.9	1.5	.3	17.0
1952	2.7	6.1	5.0	3.5	2.3	1.7	1.8	2.7	1.8	1.8	1.3	1.1	31.9
1953	5.8	10.1	7.7	3.7	2.5	1.7	3.2	1.6	1.0	1.0	.7	.7	39.7
1954	6.4	12.5	8.6	5.3	3.8	3.2	2.8	3.3	2.7	4.4	3.5	4.0	60.6
1955	8.8	13.2	12.7	6.8	2.6	1.9	5.1	4.3	3.7	3.7	1.7	2.9	67.5
1956	10.2	10.5	15.9	7.8	4.2	5.4	5.7	5.1	3.5	4.6	7.8	4.5	85.4
1957 ^{1/}	9.9	15.6	13.7	7.2	3.9	3.8	5.1	6.6	5.1	6.4	6.5	1.6	85.5
1958													
Average price per bu. received by farmers, United States, ^{2/}													
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1950	2.03	2.54	2.70	2.90	3.08	3.10	3.12	3.13	2.98	2.86	2.71	2.59	2.47
1951	2.62	2.77	2.83	2.78	2.78	2.76	2.72	2.77	3.02	3.00	3.05	2.83	2.73
1952	2.71	2.71	2.75	2.69	2.63	2.81	2.81	2.78	2.66	2.44	2.40	2.33	2.72
1953	2.41	2.60	2.81	2.83	2.97	3.22	3.52	3.55	3.49	3.47	3.23	2.51	2.72
1954	2.54	2.57	2.57	2.58	2.61	2.54	2.42	2.36	2.32	2.23	2.20	2.00	2.46
1955	2.08	2.06	2.11	2.19	2.25	2.38	2.63	2.98	2.87	2.47	2.33	2.07	2.22
1956	2.07	2.27	2.27	2.31	2.25	2.26	2.24	2.23	2.18	2.24	2.27	2.13	2.18
1957 ^{1/}	2.04	2.04	2.06	2.05	2.05	2.10	2.16	2.13	2.13	2.11	2.11	1.98	2.08
1958	1.93												

^{1/} Preliminary.^{2/} Season average price includes an allowance for unredeemed loans and purchase agreement deliveries by States.

The crushing capacity of the soybean industry has expanded significantly during the past season. It is now estimated at around 425 million bushels annually, about 15 percent above the 1957-58 estimate and more than enough capacity to handle the anticipated crush of 375 million bushels in 1958-59.

Soybean exports in 1958-59, following the uptrend of recent years, are expected to approximate 90 million bushels compared with nearly 86 million for the season just ended.

If estimated seed requirements (including feed and other uses) are about the same as last year and crushing and export estimates are reasonably accurate, carryover stocks of soybeans on October 1, 1959 might be as much as 100 million bushels, compared with 21 million this year.

Soybean Exports to Continue Upward in 1958-59

Exports in recent years have become an increasingly important outlet for soybeans and soybean products. About a third of last year's crop was shipped abroad--nearly 86 million bushels of soybeans and the equivalent of another 75 million bushels as soybean oil. The soybean equivalent of meal exports is much less than that of soybean oil -- in 1957-58 it totaled less than 13 million bushels.

Nearly all of the world's soybeans that are produced and exported originate in the U. S. and Communist China. In the Western world, the beans are crushed and the oil is used for both food and nonfood products; the meal is fed to livestock. In the Orient a large portion of the beans is used as food. Japan is one of the major markets for soybeans and it is a dual market. There large quantities of beans go directly into food products, and the remainder are crushed. Yet even after crushing, most of the meal is used for human food and very little for animals.

The U. S. has gained some advantage in world trade by virtue of its exporting of soybeans as beans. Europe has a sizable modern crushing industry that must be kept busy. Since the trend in many of the other oilseed-exporting countries is to crush the seed locally and only export products, Europe has increasingly turned to the U. S. for raw materials. India and Argentina, for instance, are exporting oilseed products and not the seeds.

Japan, Germany, the Netherlands, and Canada, our major customers, took 60 million bushels from the U. S. during 1957-58, about 70 percent of our soybean exports (table 9).

Current indications are that soybean exports in 1958-59 may total around 90 million bushels, up about 4 million from last season. The increase is expected to go mainly to Japan. Trade relations between Japan and China were broken off last spring. As usual, one of the biggest question marks in the outlook for U. S. exports is the probable level of competition from Communist China. The Chinese have been exporting less soybeans and other oilseeds than prewar because of limited production and an apparent need to increase domestic food supplies. But Chinese exports may increase in 1958-59, as the 1958 soybean and peanut crops in China are reported to be up sharply from last year.

Table 5 .- Soybean oil: Supply, disposition and price, by months, crop years 1950-57 1/

Year begin- ning October:	Production												Year
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1950	191	216	236	241	216	241	212	210	177	177	188	149	2,454
1951	215	225	222	234	222	218	204	199	190	179	179	156	2,444
1952	238	231	227	231	200	222	208	226	190	180	209	174	2,536
1953	230	219	226	228	209	213	195	193	172	173	166	125	2,350
1954	236	240	228	231	214	211	218	229	244	236	219	206	2,711
1955	280	277	262	270	271	281	281	273	249	228	249	221	3,142
1956	302	285	290	305	287	313	298	290	272	269	277	244	3,431
1957 2/	307	313	300	328	289	330	336	347	311	328	341	270	3,800
1958													
Stocks, first of month													
1950	113	117	132	154	179	202	227	256	244	221	212	193	
1951	171	196	238	281	328	344	354	354	324	296	297	261	
1952	194	200	213	237	253	245	257	261	292	273	270	243	
1953	174	150	163	208	242	233	239	241	231	211	211	196	
1954	127	146	157	176	198	201	176	170	159	150	186	192	
1955	179	180	217	218	219	209	213	282	297	296	288	255	
1956	227	210	209	233	238	230	248	270	298	279	317	313	
1957 2/	286	305	374	406	376	360	407	442	393	343	364	337	
1958	231												
Exports													
1950	21	18	48	23	17	33	46	47	79	60	52	48	490
1951	30	34	37	18	28	25	15	24	10	14	25	11	271
1952	13	23	17	3	1	5	2	4	4	7	8	7	93
1953	2	4	3	3	19	31	2	3	1	1	2	1	71
1954	5	4	4	3	2	4	3	4	3	6	10	2	50
1955	12	31	55	47	45	43	32	48	41	58	70	76	556
1956	82	39	100	92	88	129	73	60	62	34	20	27	807
1957 2/	38	12	48	53	15	55	34	194	95	64	91	104	803
1958													
Domestic disappearance													
1950	166	183	166	193	176	183	138	174	122	126	155	123	1,906
1951	159	150	142	170	179	182	189	205	208	165	190	211	2,150
1952	220	195	185	212	208	205	202	192	205	176	227	236	2,462
1953	252	203	178	191	199	176	192	200	190	173	179	193	2,326
1954	212	224	204	205	209	232	220	237	250	193	204	217	2,609
1955	267	209	206	222	236	236	180	210	208	179	213	174	2,540
1956	236	247	166	208	207	166	203	202	229	197	260	244	2,565
1957 2/	249	232	221	305	290	227	267	202	266	243	277	272	3,052
1958													
Price per pound, crude, tank cars, f.o.b. midwest mills													
1950	14.6	17.1	19.6	20.6	21.1	20.5	20.5	19.5	16.4	14.5	15.4	14.0	17.8
1951	13.8	13.2	12.6	11.2	10.7	10.2	9.1	10.1	11.2	11.3	11.5	11.2	11.3
1952	10.9	11.8	12.9	12.7	12.6	13.5	13.7	12.3	11.5	10.3	10.8	11.7	12.1
1953	13.3	13.6	12.6	12.1	12.5	13.3	14.1	13.9	14.2	14.1	14.8	13.5	13.5
1954	12.1	12.2	12.5	12.2	12.2	11.8	11.6	12.2	12.6	11.6	11.3	10.6	11.9
1955	10.9	11.0	10.9	11.7	12.8	14.3	14.9	15.3	13.6	12.5	11.4	11.3	12.5
1956	12.5	13.6	14.1	14.4	14.0	13.1	12.4	11.7	11.7	11.9	11.4	11.3	12.7
1957	11.3	11.6	11.4	11.5	11.4	11.0	11.0	11.0	10.2	9.9	10.0	9.8	10.8

1/ Totals computed from unrounded data. 2/ Preliminary.

Table 6. -Soybean cake and meal: Supply, disposition and price, by months, crop years 1950-57 1/

Production													
Year begin- ning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
1950	453.3	536.1	576.0	590.4	529.3	580.9	512.3	499.9	418.3	413.4	441.9	345.0	5,896.8
1951	500.4	536.5	542.3	563.8	525.0	494.7	467.2	457.9	435.1	410.8	418.6	351.4	5,703.7
1952	539.5	518.6	506.7	506.5	442.7	485.5	456.1	488.6	404.2	387.6	445.0	370.3	5,551.3
1953	505.1	481.6	494.3	492.7	438.4	456.7	420.7	416.3	364.5	368.1	354.5	257.7	5,050.6
1954	499.6	507.3	484.6	491.3	450.5	444.3	456.2	480.0	509.4	493.5	458.6	429.5	5,704.8
1955	580.0	583.6	548.7	567.0	563.2	584.4	583.6	570.2	517.3	475.3	513.0	459.5	6,545.8
1956	657.1	631.4	643.8	674.9	630.0	688.5	650.0	636.1	592.8	583.0	604.2	517.5	7,509.3
1957 2/	652.3	683.2	663.3	725.9	628.1	718.4	737.8	759.2	669.6	714.7	740.5	591.3	8,284.3
1958													
Stocks, first of month													
1950	35.2	41.2	54.6	72.4	92.7	104.4	141.2	172.3	180.0	148.8	108.7	68.5	
1951	35.5	27.1	30.5	34.1	32.7	46.7	54.0	57.0	59.0	57.8	71.3	63.7	
1952	51.5	60.5	78.1	89.2	109.2	139.4	154.2	167.3	172.8	168.7	118.4	102.3	
1953	56.8	56.8	78.1	104.8	128.6	162.5	170.7	182.2	177.4	166.9	175.2	150.7	
1954	61.6	58.3	47.9	47.1	59.5	91.0	100.4	113.4	100.8	99.4	98.3	69.2	
1955	37.2	49.0	59.8	66.4	99.9	137.5	178.0	201.5	212.8	217.9	182.7	145.8	
1956	111.3	57.2	51.5	65.4	58.3	88.9	136.6	162.0	163.2	157.1	129.0	93.6	
1957 2/	54.7	58.6	88.1	75.7	78.7	73.4	81.7	74.5	104.7	82.3	61.3	84.6	
1958	48.1												
Exports													
1950	2.9	3.3	2.2	4.8	32.6	83.7	22.3	3.8	11.8	3.3	5.8	4.6	181.1
1951	3.3	9.3	10.5	3.5	3.8	3.9	1.9	1.6	1.6	.7	1.2	.5	41.8
1952	1.5	2.0	1.6	2.0	1.9	1.5	2.7	6.4	2.8	4.3	9.8	10.3	46.8
1953	9.3	14.1	12.1	4.0	5.1	5.1	3.6	3.8	2.4	1.4	2.1	3.5	66.5
1954	33.0	51.2	25.6	27.4	9.7	13.3	6.9	7.7	15.7	30.3	23.0	27.9	271.7
1955	31.4	45.3	64.8	35.6	42.0	28.9	29.9	22.5	19.7	19.8	29.0	31.5	400.4
1956	57.9	55.4	64.1	49.5	31.7	33.3	20.2	20.5	34.1	29.0	24.4	23.1	443.2
1957 2/	27.9	37.6	28.8	38.5	20.9	25.9	16.0	20.3	25.1	18.0	17.4	23.5	300.0
1958													
Domestic disappearance													
1950	446.7	522.8	560.3	569.1	489.0	464.6	462.1	490.4	440.7	451.8	477.0	373.7	5,748.2
1951	506.6	524.3	529.0	563.6	508.1	484.7	463.3	457.0	437.3	399.5	429.1	367.5	5,670.0
1952	534.3	506.2	502.1	489.0	414.8	475.0	443.9	477.9	406.3	433.8	451.4	405.6	5,540.3
1953	495.8	446.2	455.6	465.7	403.3	444.4	406.5	419.2	376.3	359.8	378.0	344.1	4,994.9
1954	469.9	466.5	459.8	451.5	409.3	421.6	436.3	484.9	495.1	464.3	464.7	433.6	5,457.5
1955	536.8	527.5	477.3	497.9	483.6	515.0	530.2	536.4	492.5	490.7	520.9	462.5	6,071.3
1956	653.3	581.7	565.8	632.5	567.7	607.5	604.5	614.4	564.8	582.1	615.2	533.3	7,122.8
1957 2/	620.5	616.0	646.9	684.4	612.5	684.2	*730.4	708.7	666.9	717.7	699.8	604.3	*7,992.3
1958													
Price per ton, bulk, Decatur													
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1950	54.05	61.45	64.70	63.90	69.25	67.00	62.00	63.40	64.40	68.80	64.60	69.75	64.45
1951	74.00	74.00	74.00	74.00	74.00	74.00	83.90	88.60	93.25	93.10	103.60	93.50	83.35
1952	81.10	74.75	71.90	67.90	64.90	66.40	64.40	66.75	65.90	65.25	62.00	59.60	67.55
1953	57.25	59.40	71.60	73.75	77.10	84.00	95.95	89.40	87.40	92.40	87.60	67.25	78.65
1954	65.25	67.70	68.25	67.10	65.60	61.50	59.20	53.40	52.15	53.90	54.30	60.10	60.70
1955	56.00	49.00	50.25	51.00	49.40	47.40	53.00	60.05	60.75	54.80	52.10	46.90	52.55
1956	45.70	47.40	46.95	49.90	46.90	46.75	45.50	45.40	44.25	46.60	52.90	51.00	47.45
1957 2/	46.60	45.00	43.90	43.75	46.90	54.25	59.50	55.60	56.75	68.60	60.25	59.70	53.40
1958													

1/ Totals computed from unrounded data. 2/ Preliminary. *Includes 1.4 thousand tons imported.

Table 7.- Soybean oil: Supply and disposition and oil equivalent of exports of soybeans, 1947-57 ^{1/}

Year begin- ning October	Supply				Disposition			Soybeans (oil equivalent of exports)
	Pro- duction	Imports	Stocks October 1	Total	Exports	Domestic disap- pearance		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1947	1,534	2/	204	1,738	112	1,532	27	
1948	1,807	2/	96	1,903	300	1,488	225	
1949	1,937	2/	113	2,050	291	1,646	128	
1950	2,454	---	113	2,567	490	1,906	272	
1951	2,444	2/	171	2,615	271	2,150	167	
1952	2,536	2/	194	2,730	93	2,462	320	
1953	2,350	---	174	2,525	71	2,326	436	
1954	2,711	---	127	2,838	50	2,609	666	
1955	3,142	---	179	3,322	556	2,540	741	
1956	3,431	---	227	3,658	807	2,565	937	
1957 ^{3/}	3,800	---	286	4,085	803	3,052	939	
1958			231					

^{1/} Totals computed from unrounded data.^{2/} Less than 500,000 pounds.^{3/} Preliminary.Table 8.- Soybean oil: Utilization, year beginning October, 1947-57 ^{1/}

Year begin- ning October	Food uses					Nonfood uses				Total domestic disap- pearance
	Shorten- ing	Margar- ine	Other	Total	Soap	Drying oil products	Foots and loss	Other	Total	
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	
1947	764	263	233	1,260	3	120	70	79	272	1,532
1948	694	244	241	1,180	2	142	78	86	308	1,488
1949	776	265	288	1,329	1	142	78	95	317	1,646
1950	795	459	344	1,599	2	170	87	49	308	1,906
1951	800	583	404	1,786	2	207	97	59	364	2,150
1952	879	735	462	2,077	1	237	106	41	386	2,462
1953	905	661	437	2,002	1	208	84	31	324	2,326
1954	979	741	545	2,264	1	223	107	14	344	2,609
1955	803	725	668	2,196	1	199	107	38	344	2,540
1956	764	836	627	2,227	2/	199	107	30	337	2,565
1957 ^{3/}	993	1,041	693	2,726	1	165	132	27	325	3,052
1958										

^{1/} Totals Computed from unrounded data.^{2/} Less than 500,000 pounds.^{3/} Preliminary.

Soybean Farm Prices Dip Under Support;
Prices Later to Return Near Loan Level

Prices to farmers for 1958 crop soybeans are being supported at a national average farm price of \$2.09 per bushel, unchanged from last year. The support is equal to 70 percent of the February 1958 parity price. Loans and purchase agreements are available through January 1959. Farmers have through May 31, 1959 to redeem loans.

Farm prices of new crop soybeans averaged \$1.93 per bushel in October, slightly under the loan rate, and 11 cents below October 1957. Farm prices during most of the 1958 harvesting season are expected to average a little under the loan level. Prices later in the season likely will return to the loan level but for most of the 1958-59 marketing year probably will not exceed it by any significant margin. A factor influencing soybean prices later in the season will be the sales policy with respect to CCC beans. This policy had not been announced as of November 14, 1958.

Seasonal variation in soybean prices has been less pronounced in recent years than previously, mainly due to a greater rate of expansion of production than of market outlets. As a consequence, storing beans looking for recovery from the harvesttime lows has not been so profitable as in earlier years. Farm prices in 1957-58 started from an October-November low of \$2.04 per bushel and advanced to a seasonal peak of \$2.16 in April, then slid off somewhat, but remained relatively stable during the remainder of the marketing year at the loan level, averaging \$2.08 for the entire 1957-58 season. The seasonal rise was less than 6 percent, compared with 12 percent in 1956-57.

Farmers Storing Record
Volume of Beans

Farm prices for soybeans declined below the loan rate with harvest of the big crop. Farmers are storing a record volume which has prevented a larger drop in prices. By storing, farmers take advantage of any seasonal rise in price due to seasonal factors and the operation of the support program, under which loans or purchase agreements are available, to protect themselves against declines. Because of the strong holding action, farm stocks of soybeans on January 1, 1959 probably will be around 225 million bushels, a large part likely under CCC loan. The previous record for farm stocks on January 1 occurred in 1958 when farmers held 188 million bushels.

Soybean Oil Prices in 1958-59 Probably
Will Average Below Year Earlier

Present indications are that soybean oil price (crude, Decatur) during the 1958-59 marketing year will average moderately lower than the 10.8 cents per pound in 1957-58 -- some factors that helped to bolster prices last year are not operating this season. Last season, strong domestic demand for food fats, coupled with reduced supplies of cottonseed oil and lard, helped to maintain bean oil prices. Although domestic demand likely will continue strong,

Table 10.--Soybeans: Acreage, supply, disposition, and price, 1924-58

Year beginning October	Acreage			Har-			Supply			Disposition			Price per bushel			Production of					
	Total including inter- planted	Grown alone	Har- vested for beans	Har- vested per acre	Yield per acre	Har- vested as a per- cent- age of total	Pro- duc- tion	On farms	Off farms	Total supply	Ex- ports	Crush- ings 2/	Used for seed	Resid- ual 3/	Season average received by farmers 4/	Sup- port	Quant- ity	Per bushel	Quant- ity	Per bushel	
	1,000 acres	1,000 acres	1,000 acres	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Dol.	Dol.	Mil. lb.	Lb.	Mil. lb.	Lb.	
1924	1,782	1,567	448	11.0	11.0	25.1	4.9	---	6/	6/	5.0	---	0.3	1.9	---	2.46	---	2	7.4	8	49.5
1925	1,785	1,539	415	11.7	11.7	23.2	4.9	---	6/	6/	4.9	---	.4	2.3	2.5	2.34	---	3	7.5	9	49.0
1926	2,127	1,871	256	11.2	11.2	21.9	5.2	---	6/	6/	5.3	---	---	2.5	2.2	2.01	---	3	7.9	8	49.6
1927	2,350	2,057	568	12.2	12.2	24.2	6.9	---	6/	6/	7.0	---	.6	2.7	64	1.81	---	4	7.8	14	49.0
1928	2,439	2,154	579	13.6	13.6	23.7	7.9	---	6/	6/	8.0	---	---	3.0	66	1.88	---	7	8.3	22	48.8
1929	2,807	2,429	708	13.3	13.3	25.2	9.4	---	0.1	0.1	9.6	---	1.7	3.8	64	1.88	---	13	8.1	41	48.9
1930	3,473	3,072	1,074	13.0	13.0	30.9	13.9	---	1.1	1.1	14.1	---	4.1	4.7	65	1.37	---	35	8.5	99	48.5
1931	4,304	3,835	1,141	15.1	15.1	26.5	17.3	---	.5	.5	17.8	7/2.2	4.7	4.6	66	.50	---	40	8.5	115	48.6
1932	4,165	3,704	1,001	15.1	15.1	24.0	15.2	---	1.1	1.1	15.3	7/2.2	3.5	4.8	67	.84	---	29	8.4	84	48.6
1933	3,957	3,537	1,044	12.9	12.9	26.4	13.5	---	6/	6/	13.6	7/6/	3.1	7.6	68	.94	---	26	8.6	74	48.4
1934	6,207	5,764	1,556	14.9	14.9	25.1	23.2	---	6/	6/	23.2	7/6/	9.1	10.1	74	.99	---	78	8.6	220	48.4
1935	7,503	6,966	2,315	16.8	16.8	38.9	48.9	---	3.3	3.3	49.2	7/3.5	25.2	8.9	80	.73	---	209	8.3	613	48.7
1936	7,183	6,127	2,359	14.3	14.3	32.8	33.7	---	.4	.4	34.1	7/3.5	20.6	9.5	74	.97	---	184	8.9	496	48.1
1937	7,464	6,332	2,886	17.9	17.9	34.6	46.2	---	.3	.3	46.5	1.4	30.3	10.9	77	.85	---	279	9.2	724	47.8
1938	8,587	7,318	3,035	20.4	20.4	35.3	61.9	---	.3	.3	62.2	4.4	44.6	16.7	81	.67	---	416	9.3	1,064	47.7
1939	10,920	9,565	4,315	20.9	20.9	39.5	90.1	---	1.0	1.0	91.1	11.0	56.7	14.0	76	.81	---	533	9.4	1,349	47.6
1940	11,782	10,487	4,807	16.2	16.2	40.8	78.0	---	.4	.4	78.4	.3	64.1	15.1	81	.90	---	564	8.8	1,543	48.2
1941	11,345	10,068	5,889	18.2	18.2	51.9	107.2	---	.7	.7	107.9	.5	77.1	20.4	80	1.55	---	707	9.2	1,845	47.8
1942	14,912	13,696	9,894	19.0	19.0	66.3	187.5	3.1	2.9	6.0	193.5	1.0	133.5	21.0	82	8/1.61	1.60	1,206	9.0	3,200	48.0
1943	15,428	14,131	10,397	18.3	18.3	67.4	192.1	4.6	8.0	12.5	202.7	1.0	142.3	18.9	82	8/1.81	1.80	1,219	8.6	3,446	48.4
1944	14,050	13,118	10,245	18.8	18.8	72.9	192.1	4.6	9.5	14.2	206.3	5.1	153.4	18.9	82	2.05	2.04	1,347	8.8	3,699	48.2
1945	13,807	13,056	10,740	18.0	18.0	77.8	193.2	2.9	4.8	7.7	200.9	2.9	159.5	16.7	82	2.08	2.04	1,415	8.9	3,837	48.1
1946	12,434	11,706	9,932	20.5	20.5	79.9	203.4	2.1	2.2	4.4	207.8	3.8	170.2	17.5	81	2.37	2.04	1,531	9.0	4,086	48.0
1947	13,755	13,052	11,411	16.3	16.3	83.0	186.5	2.3	3.1	5.4	191.8	2.9	161.4	16.1	76	3.33	2.04	1,534	9.5	3,833	47.5
1948	12,617	11,987	10,682	21.3	21.3	84.7	227.2	1.9	7	2.6	229.8	23.0	183.7	15.9	76	8/2.77	2.11	1,807	9.8	4,330	47.2
1949	12,456	11,872	10,482	22.3	22.3	84.2	234.2	2.2	1.0	3.2	237.4	13.1	195.3	18.9	77	8/2.16	2.11	1,937	9.9	4,586	48.0
1950	15,640	15,048	13,807	21.7	21.7	88.3	239.2	1.2	1.7	2.9	302.1	27.8	252.0	19.0	72	8/2.47	2.06	2,454	9.7	5,897	46.8
1951	15,655	15,176	13,615	20.8	20.8	87.0	238.8	2.7	1.5	4.2	287.9	17.0	244.4	19.8	73	8/2.73	2.45	2,444	10.0	5,704	46.7
1952	16,374	15,958	11,435	20.7	20.7	88.2	238.8	2.0	1.6	3.6	302.4	31.9	234.4	20.7	72	8/2.72	2.56	2,536	10.8	5,551	47.4
1953	16,719	16,394	14,829	18.2	18.2	88.7	269.2	5.8	4.4	10.1	279.3	39.7	213.2	22.9	74	8/2.72	2.56	2,350	11.0	5,051	47.4
1954	18,872	18,541	17,047	20.0	20.0	90.3	341.1	.5	.8	1.3	342.4	60.6	249.0	23.4	73	8/2.46	2.22	2,711	10.9	5,705	45.8
1955	19,959	19,658	18,620	20.1	20.1	93.3	373.5	3.9	6.0	9.9	383.4	67.5	283.1	26.1	70	8/2.28	2.24	3,143	11.1	6,506	46.0
1956	21,960	21,671	20,642	21.8	21.8	94.0	449.4	2.0	1.7	3.7	453.2	85.4	315.9	26.2	71	8/2.46	2.15	3,431	10.9	7,269	47.5
1957	22,041	21,804	20,738	23.1	23.1	94.1	479.8	3.6	6.3	9.9	489.7	85.5	353.8	28.2	71	8/2.08	2.09	3,600	10.7	8,264	46.8
1958	24,634	24,414	23,367	24.6	24.6	94.9	575.0	2.2	18.9	21.1	596.1			69							

1/ From 1924 through 1941, stock data are at crushing mills only as reported by the Bureau of the Census. Beginning with 1942, data include stocks on farms, at processing plants, commercial stocks at terminals, CCC stocks in transit to ports, and stocks in interior mills, elevators, and warehouses.

2/ Crushings as reported by Bureau of the Census. Some new-crop soybeans are crushed prior to October 1. These affect the size of the residual item.

3/ Includes soybeans fed to livestock, cleaning and other losses, year-to-year changes in volume of soybeans crushed prior to October 1, and other statistical discrepancies.

4/ Season average price in each State for the marketing year weighted by total production.

5/ Computed from unrounded data.

6/ Less than 50,000 bushels.

7/ Based on inspections for export by Federal licensed inspectors, first reported in October 1931. Not separately classified by Bureau of the Census prior to January 1, 1937.

8/ Includes an allowance for unredeemed loans.

9/ Preliminary.

Table 11.--Soybeans: Acreage, yield and production by States, crop years 1955-58

State	Acreage harvested				Yield per acre harvested				Production			
	1955	1956	1957	1958	1955	1956	1957	1958	1955	1956	1957	1958
								1/				1/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bu.	Bu.	Bu.	Bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Illinois	4,328	4,649	4,974	5,185	23.0	28.5	25.5	28.5	99.5	132.5	126.8	147.8
Minnesota	2,253	2,627	2,549	3,076	19.5	20.0	21.5	17.5	43.9	52.5	54.8	53.8
Indiana	2,039	2,142	2,163	2,290	21.5	24.0	24.5	27.0	43.8	51.4	53.0	61.8
Iowa	2,261	2,500	2,792	3,038	20.0	20.0	26.0	26.0	45.2	50.0	72.6	79.0
Missouri	1,900	1,821	1,637	1,975	17.5	20.0	21.5	27.0	33.2	36.4	35.2	53.3
Ohio	1,193	1,301	1,421	1,467	24.5	24.0	23.0	26.5	29.2	31.2	32.7	38.9
Arkansas	1,217	1,509	1,383	1,865	18.0	18.0	23.5	25.0	21.9	27.2	32.5	46.6
Mississippi	626	732	615	738	19.0	16.0	19.0	21.0	11.9	11.7	11.7	15.5
Other States	2,803	3,361	3,204	3,733	15.9	16.8	18.9	21.5	44.7	56.5	60.6	78.3
United States	18,620	20,642	20,738	23,367	20.1	21.8	23.1	24.6	373.5	449.4	479.8	575.0

1/ November 1 indications.

Table 12.--Soybeans: Price received by farmers and value of production and sales, by States, crop years 1955-57

State	Season average price received by farmers per bushel			Value of production			Value of sales		
	1955	1956	1957	1955	1956	1957	1955	1956	1957
	Dol.	Dol.	Dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
Illinois	2.29	2.23	2.15	228.0	295.5	272.7	220.3	286.7	264.3
Minnesota	2.24	2.13	2.00	98.4	111.9	109.6	93.0	106.6	104.1
Indiana	2.28	2.19	2.10	100.0	112.6	111.3	95.8	108.0	106.7
Iowa	2.24	2.17	2.05	101.3	108.5	148.8	96.6	103.8	143.9
Missouri	2.14	2.15	2.08	71.2	78.3	73.2	67.9	76.0	70.5
Ohio	2.28	2.20	2.10	66.6	68.7	68.6	63.6	65.6	65.5
Arkansas	2.03	2.17	2.06	44.5	58.9	67.0	42.9	56.8	64.3
Mississippi	2.10	2.14	2.03	25.0	25.1	23.7	23.7	23.7	22.2
Other States	1/2.13	1/2.15	1/2.04	95.8	121.3	123.6	88.8	115.0	116.8
United States	2.22	2.18	2.08	830.6	980.7	998.5	792.7	942.1	958.4

1/ Simple average.

substantially larger 1958-59 supplies of competitive lard, as well as bean oil, will exert downward pressure on the general level of food fat prices. On the other hand, the demand may be strengthened to the extent that soybean oil replaces cottonseed oil that is acquired by CCC and withheld from the domestic market.

Last season, bean oil prices (crude, Decatur) during October-February were stable at an average of 11.4 cents per pound, 2.3 cents below the previous year. Prices slid off slightly in March-May 1958 but were stable at the 11.0 cents per pound level. Prices then declined sharply to 9.9 cents per pound in July and have continued near this level. Bean oil prices for the entire 1957-58 marketing year averaged 10.8 cents per pound, about 2 cents less than in 1956-57. Prices in mid-November at 10.6 cents per pound were about 1.0 cents below November 1957.

Soybean Meal Prices in 1958-59
Expected to be More Stable,
and Average Lower

Soybean meal supply in the 1958-59 feeding year is expected to total around 8,850 thousand tons, compared with 8,340 thousand last year. Assuming 1958-59 exports and carryout stocks are about the same as in 1957-58, the quantity available for feeding in 1958-59 would be up nearly 450,000 tons.

Last season, soybean meal prices (bulk, Decatur) were relatively stable at a low level during October-February 1957-58, averaging \$45 per ton, \$2 less than a year earlier. Prices then moved up to the season's peak in July of \$68.60 per ton, \$22 above July 1957. Prices subsequently slid off to about \$60 per ton in September 1958. Soybean meal prices for the entire 1957-58 feeding year averaged nearly \$60 per ton, about \$9 more than in 1956-57.

Soybean meal prices in 1958-59 are expected to be more stable than in 1957-58, and they probably will average somewhat lower. Expected increases in livestock and poultry production will help to maintain soybean meal prices during the coming year. Prices of livestock and livestock products, however, are expected to average somewhat lower. Larger supplies of soybean meal are in prospect. These forces point to meal prices below the 1957-58 level though protein feeds may continue in stronger demand, relative to supplies, than feed grains.

Soybean meal prices are influenced to quite an extent by the general forces that affect the price of feed grains, but they also derive strength from the demand for their use in formula feeds. Demand for most types of prepared feeds during 1958 has been good. Increased production of poultry, especially broilers, has expanded the demand for prepared poultry feeds. In recent years also there has been a marked increase in the demand for protein supplements for hogs and cattle feeding. The smaller production of tankage and meat scraps gave added strength to prices of these feeds and in 1958 they rose to the highest levels since 1952. The favorable level of livestock prices, with above-average livestock feed price ratios, also has supported the demand for prepared feeds, and in turn high protein feeds, in 1958.

Soybean Outlook for 1959-60

Soybean Supplies Expected
To Continue Heavy in 1959-60

Soybean acreage harvested for beans in 1958 was a record, partly reflecting land diverted from corn and cotton which were under allotments. Furthermore, the 1958 support price for soybeans was unchanged from the 1957 level, whereas corn supports were lowered slightly.

Factors affecting soybean acreage in 1959 will be the outcome of the corn referendum to be held November 25, 1958, the extent to which cotton producers participate in the plan allowing them to plant excess acreage of cotton in 1959 above their allotments, and the discontinuance of the Acreage Reserve Program for corn, cotton, and other basic crops beginning in 1959. Another important factor in 1959 acreage will be the level of support for soybeans. Supports have generally moved downward from the high of 1952 as production has expanded. Price support for soybeans is discretionary with the Secretary of Agriculture. No announcement as to support for the 1959 crop has been made as yet.

It seems likely that any extension of cotton or corn acreages that materializes would tend to arrest the recent uptrend in soybean acreage, and might reverse it. A repetition of 1958 record yields also is unlikely. The most probable expectation therefore is for the soybean crop to be reduced somewhat next year.

The 1959 crop nevertheless is likely to be very large as measured against earlier standards. Because of the sizable carryover of 1958-crop beans that will be on hand, the total supply very probably will be a new record.

COTTONSEED

Prospects for 1958-59

1958 Cottonseed Output
Up 6 Percent; Farm
Prices Near Support

Based upon November 1 indications, the 1958 cottonseed crop may total 4,864,000 tons, nearly 6 percent more than last year's short crop. Cotton acreage is down sharply this year because of heavier participation in the Soil Bank program but cotton yield per acre is record high.

State allotments totaled 17.6 million acres, the same as in 1957. However, about 5 million acres from these allotments were removed from production and placed under the Soil Bank Program. In 1957 about 3 million acres were in the Soil Bank. Abandonment of cotton in cultivation on July 1, including acreage removed for compliance purposes, is estimated at 3.6 percent, about equal to average. This left 11,960,000 acres for harvest compared with 13,558,000 acres in 1957 and 15,615,000 acres in 1956.

The yield of cotton lint per harvested acre is placed at 472 pounds, 55 pounds above the previous high, which compares with 388 pounds in 1957. High yields reflect the effects of growing cotton on the best land, use of higher analysis fertilizers, and other improved cultural practices. Furthermore, growing conditions were much more favorable this year than last when harvesting was hampered by wet weather. Cotton ginned before November 1 represented about 62 percent of the crop compared with about 51 percent last year.

Prices to farmers for 1958 crop cottonseed are being supported by loans on farm-stored cottonseed at an average of \$45 per ton, basis grade (100). The program provides for purchases from producers at an average price of \$41 per ton, basis (100), and from ginners at \$45 per ton, basis grade (100). These prices are \$1 less than in the previous year. The support price is approximately 65 percent of the February 1958 parity price of \$68.60 per ton, average quality seed. In the 1957-58 season there were no purchases of cottonseed under the support program as cottonseed was in short supply and prices averaged well above the support level.

Farm prices for 1958 crop cottonseed have declined since August, the beginning of the marketing year, and in mid-October were near the support price (\$41 per ton, purchase price, basis grade 100). Current prospects are that the 1958-59 season farm price probably will average a little above the support and about \$5 to \$10 per ton below last year. Lower prices for cottonseed reflect reduced returns for both oil and meal.

CCC Announces Disposal

Plan for Cottonseed Acquired;

Quantities Likely to be

Relatively Small

A disposal plan for cottonseed acquired by CCC under price support operations in Texas, New Mexico and Oklahoma was announced on October 22. Under the plan, cottonseed either (1) will be offered to crushers on competitive bid basis--crusher to pay support price for seed f.o.b gin or other point of delivery, keep all products except oil, and submit bid on price at which he will sell to CCC oil produced from the seed, or (2) may, in some instances, be stored for later disposition.

This plan was announced after prices for cottonseed in some sections of the Southwest had dropped below support. CCC action was taken to assure that farmers would receive the support price for their cottonseed and still permit disposition of seed through normal trade channels.

In view of the fact that a substantial part of the 1958 cottonseed crop probably had already been marketed in those States when CCC announced its disposal plan, it is unlikely that more than 10 to 15 percent of the crop will be acquired under the program. In terms of oil, this could be 175-250 million pounds. About 150,000 tons of cottonseed have been placed under the program through November 7 representing about 51 million pounds of crude cotton oil. No announcement has been made as yet concerning disposal plans for any cottonseed oil acquired by CCC.

1958-59 Cottonseed Crashings

To Rise a Bit; Cotton Oil Prices Will Average Lower

Total supplies of cottonseed in 1958-59 (carryover on August 1, 1958 plus output) are estimated at 5,039,000 tons, nearly 6 percent more than last season (table 13). After allowing for roughly 8.5 percent of the 1958 cottonseed crop for farm uses and exports, the remainder of the crop will go to the oil mills for crushing and may total 4,450,000 tons, about 215,000 more than in 1957-58. A crush of this size would produce about 1,525 million pounds of crude cotton oil and 2,100,000 tons of cake and meal, compared with 1,434 million pounds of oil last year and 1,952,500 tons of meal.

If the oil refining loss in 1958-59 should be near the average of 6 percent compared with 8.5 percent last season, the output of refined cotton oil would be up slightly more than the 6 percent indicated above on a crude basis. Refining loss was high in 1957-58 because of the high free fatty acid content of the seed which resulted from rain damage to the crop.

Cotton oil prices (crude, Southeast mills) last year rose during harvest from 12.7 cents per pound in early fall to a peak of 15.0 cents in January 1958, benefiting from the strong domestic demand and sharply reduced supplies. They slid off in February but were quite stable during March-May 1958 at about 13.9 cents per pound. Since then, prices have declined sharply each month and in mid-November were 11.3 cents per pound, about 2.5 cents below a year earlier and the lowest since the fall of 1955. The price downturn is attributed mainly to the availability of new crop cotton oil, weak export demand, the prospects of larger edible oil supplies in 1958-59 and the general downward movement in edible oil prices.

Cotton oil prices this fall and winter are likely to continue below last year, but relatively more stable, as prices a year earlier were rising during this period. Oil prices for the entire 1958-59 season probably will average less than the 13.6 cents per pound last season. Disappearance of cottonseed oil will be influenced by CCC disposal policy for oil it acquires. At any rate, heavy supplies of competitive soybean oil and lard at lower prices will tend to exert downward pressure on cotton oil prices.

Table 13.--Cottonseed: Price to farmers, acreage, yield, supply and distribution, United States, 1947-

Year beginning August	Price per ton		In cultivation July 1		Supply		Exports		Crushed		Seed		Residual 2/
	Dollars	Dollars	acres	Pounds	1,000 tons	at mills, August 1	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	
	Season average received: 1/ by farmers:	Support 1/	Acreage	Yield per acre	Produc- tion	Stocks	Total supply						
1947	85.90	---	21,560	434	4,682	100	4,782	5	4,082	315	1,000	1,000	291
1948	67.20	---	23,253	511	5,945	89	6,034	6	5,332	384	1,000	1,000	180
1949	43.40	46.50	27,914	470	6,559	132	6,691	11	5,712	279	1,000	1,000	401
1950	86.60	47.00	18,629	3/447	4,105	288	4,394	6	3,723	419	1,000	1,000	180
1951	69.30	61.50	28,195	446	6,286	66	6,352	11	5,476	415	1,000	1,000	313
1952	69.60	62.40	27,185	455	6,190	137	6,327	13	5,563	406	1,000	1,000	190
1953	52.70	50.50	25,244	535	6,748	155	6,903	15	6,256	346	1,000	1,000	57
1954	60.30	50.00	19,791	3/586	5,709	229	5,938	21	5,249	263	1,000	1,000	196
1955	44.60	42.00	17,506	3/705	6,043	209	6,252	16	5,588	266	1,000	1,000	205
1956	53.40	44.00	16,833	3/657	5,407	177	5,584	11	4,949	222	1,000	1,000	238
1957	51.10	42.00	14,066	3/671	4,609	164	4,773	12	4,235	198	1,000	1,000	153
1958		41.00	12,402	3/784	7/4,864	175	5,039	15	4,450	5/	1,000	1,000	399
1959						175							

1/ Purchase price, basis grade except 1949 which is average grade.

2/ Includes feed, fertilizer, and loss.

3/ Based on acres in cultivation July 1 less acres removed to meet allotments.

4/ Preliminary.

5/ Not available, included in residual.

6/ Preliminary. Distribution and stocks August 1, 1959 are forecast.

7/ Indicated November 1 if the ratio of lint to cottonseed is the same as the average for the past five years.

Cottonseed meal supply for the 1958-59 feeding year is estimated at 2,320,000 tons compared with 2,168,000 last year. An increase in the prospective output is partly offset by smaller carryover stocks on October 1, 1958. Assuming exports will continue small and allowing for average stocks at the close of the feeding year, the quantity available for feeding would be a little larger than the 2,060,000 tons fed last year.

Cottonseed meal prices this fall have averaged slightly higher than last year, when they were at the lowest level in a decade. However, prices for the entire 1958-59 feeding year may average somewhat less than the \$59 per ton (bagged, Memphis) of last year. The large supply of high protein feed, resulting mainly from increased production of soybean meal, will put pressure on cottonseed meal prices. The demand and price for cottonseed meal also will be affected by better hay and pasture conditions in the South and continued record supplies of competitive feed grains.

Price Differential Between
Cotton Oil and Bean Oil
To be Slightly Narrower
In 1958-59

The premium of crude cotton oil (Southeast mills) over soybean oil (Decatur) remained unusually high through the 1957-58 season despite lower prices for cottonseed oil in recent months. In October-September 1957-58 it averaged 2.6 cents per pound in contrast to 0.8 cents a year earlier.

The price differential between these two oils narrowed this fall as cotton oil prices dropped sharply, reflecting favorable crop prospects and increased offerings of new crop oil. In mid-November the gap was 0.7 cents per pound. The price spread during the 1958-59 marketing year is expected to be slightly narrower than last year.

In most seasons, the price differential between cottonseed oil and soybean oil is small during the fall at the time that output of both oils is heavy; after that, cotton oil usually works to a premium over bean oil, as cotton oil output tapers off seasonally and supplies decline. The price spread then tends to narrow during the summer months as supplies of new crop oil are anticipated. This seasonal variation in the price ratio between cotton oil and bean oil is due primarily to differences in the storability of the seeds. Cottonseed cannot be held through the season without deteriorating, except by the use of cooling equipment, and therefore is usually crushed as rapidly as possible. This gives a highly seasonal pattern in crushings and oil output. In contrast, soybeans can be readily stored for a longer period without loss of quality and the volume of crushings is fairly uniform throughout the season.

Cottonseed Outlook for 1959-60

Cottonseed Output in
1959 Probably Will Increase

Cottonseed is a by-product of the cotton industry and its supply is determined primarily by the factors that affect cotton production. Cottonseed output, therefore, cannot adjust to changing price levels of oilseed and edible oils.

The Secretary of Agriculture on September 29 proclaimed a national marketing quota of 12,167,000 bales of upland cotton for the 1959 crop and a national acreage allotment of 16,000,000 acres, the legal minimum allotment under the Agricultural Act of 1958. In addition, a national acreage reserve of 310,000 acres will be apportioned to small farms to maintain minimum farm allotments. A growers' referendum on the 1959 quotas will be held on December 15, 1958.

Each cooperating grower later will have to elect for all the farms he operates, between two plans, A and B, on the basis of a final 1959 crop price support level to be announced by the Secretary no later than January 31, 1959. Under choice A the farmer must stay within his acreage allotment and the support level will be 80-90 percent of parity. Farmers selecting choice B may plant up to 40 percent in excess of their acreage allotments under choice A but the support level would be 15 percent of parity below the level of support for growers electing choice A, or not less than 65 percent of parity.

Cottonseed production in 1959 probably will increase somewhat because most of the 5 million acres placed in the Soil Bank in 1958 will be back in production. Furthermore, the extent to which cotton farmers participate in plan B will tend to increase acreage over the allotment of 16.3 million. Unless an unfavorable growing season should result in yields below average, production would be the largest since 1953.

EDIBLE OIL EXPORT OUTLOOK

Background

The United States is by far the world's largest producer and exporter of fats, oils and oilseeds. This country accounts for about 25 percent of the world production, but because many other important producers need to retain most of their output, our exports comprise about 45 percent of the edible oils and oilseeds that move in world trade.

The export market is also important to U. S. producers of fats and oils. During the 1957-58 marketing year, the U. S. exported about a third of the 1957 record soybean crop in the form of either beans or oil and nearly 18 percent of its cottonseed oil production. Most of the major foreign exporters of oils and oilseeds are underdeveloped countries. In many of these, expanding industrialization is limiting or reducing the exportable supply.

Since World War II, significant changes have occurred in the world trade pattern for edible oils and oilseeds. Before World War II, Asia was outstanding as the world's leading export area, with Africa ranking second and South America third. Europe was by far the major importing area, but the U. S. also had a substantial net import balance. Thus, the flow of trade was largely from underdeveloped to industrial countries.

Today the situation is partly reversed. Population increases in the underdeveloped countries and their industrial and economic progress have boosted their domestic consumption, with the result that in many, oilseed production has not kept pace. In a few cases, output actually declined. This trend resulted in a severe drop in exports from Asia and South America.

The decline in exports from Asia and South America has been counter-balanced by increased availability from Africa and North America--mostly from the United States, which has changed from a major net importer to the world's largest net exporter. Europe still remains the world's great import market, taking more edible oils now than before the war.

Despite this favorable position, U. S. soybean and cottonseed oil face competition in world markets from many sources. They not only compete with cotton and soybean output from other countries but with other oils--peanut, olive, sesame, rapeseed, and sunflower. All of them are liquid and all are used as salad and cooking oils. Furthermore, except for olive and sesame oils, which are relatively high-priced, they compete strongly with each other as ingredients for margarine and shortening.

Besides the United States, the major exporting countries of these edible vegetable oils are China, Nigeria, French West Africa, and, in some years, India and Argentina. Recently the Sudan and the Union of Africa have been moving ahead.

While the Mediterranean countries are large producers of olive oil, they are also large consumers. On the other hand, because of price and taste preferences, consumption of olive oil outside of the Mediterranean Basin is limited. However, variations in the olive crop affect prices and world trade in the other edible oils. When the olive crop is small, the Mediterranean countries sharply increase their imports of the other edible oils. This has resulted in a large portion of our edible oil exports going to such countries as Spain, Turkey, Greece, and Italy, mostly under P.L. 480 programs.

Competition among edible oils is determined by a combination of price and other factors. For example, the United States had an excellent dollar market for its cottonseed oil in West Germany where it is used in a high-quality margarine. Peanut oil can be used but ordinarily cottonseed oil sells for less than peanut oil. However, a short U. S. cottonseed crop last year and bumper peanut crops in Africa reversed this price relationship and caused the German cottonseed oil market to be partly lost to African peanut oil.

In terms of human want the world market for edible oilseeds and their products seems almost limitless. But ability to pay for these commodities is another matter. This gap is partly bridged by the U. S. Government export programs -- mainly P. L. 480. In the 1957-58 marketing year, about two-thirds of the U. S. edible oil exports were so financed. Without export programs our shipments would be much lower than they have been and recipient countries would be consuming much less.

But over the long term, the outlook for U. S. exports of edible oilseeds and their products appears bright. Population increases and the uptrend in per capita consumption suggest an expanding market. Also it is not likely that foreign output will show any major sustained expansion. This does not mean that there may not be times when we will have difficulty in moving large supplies. What it does mean is that in the long run U. S. exportable supplies, though large, should be able to move in the export market.

Exports of Edible Oils in 1958-59
May Possibly Exceed Last Year

U. S. exports of cottonseed and soybean oils in 1957-58 totaled 1,053 million pounds, about 15 percent less than a year earlier. Dollar exports were down sharply whereas shipments under P. L. 480 increased somewhat, accounting for about 67 percent of total exports compared with 45 percent a year earlier. Reduced foreign dollar demand for U. S. food fats and oils reflected larger exportable supplies in some countries, along with the slower rate of increase in consumer incomes abroad. The U. S. in 1957-58 faced stronger competition from the bumper crops of peanuts in Nigeria and French West Africa, from sunflowerseed in Argentina, and from rapeseed in Canada.

Current indications are that U. S. exports of edible oils in 1958-59 will again be large and may exceed last year's level. The U. S. will again face stiff competition from foreign supplies. Preliminary estimates indicate world production of fats and oils will rise about 5 percent, although most of the increase is taking place in the U. S. Current prospects are that exportable supplies of peanuts from Nigeria and French West Africa will be about as large as a year ago. The total Mediterranean olive crop is expected to be slightly smaller than a year earlier, with sizable declines in the heavy producing countries of Italy, Greece and Portugal. These declines are likely to be partly offset by increased output in Turkey, Tunisia and Morocco. Output of soybeans in China, sunflowerseed in Russia and coconut oil in the Philippines are all expected to be somewhat higher during the 1958-59 marketing year. Rapeseed production in Europe and Canada probably will continue at about the same level as last year.

Exports of edible oils under P.L. 480 in 1958-59 may possible exceed last year's 689 million pounds. Regular commercial sales for export probably will do well to hold last year's levels. The total level of exports of U. S. oils could be affected by CCC's policy on disposition of cottonseed oil acquired under the support program. Total exports of edible oils are currently forecast between 1,100 and 1,300 million pounds compared with 1,053 million

Table 14.--Fats and Oils: Estimated world production, averages 1935-39, 1950-54, annual 1955-59 1/

Fat or Oil	Average		1955	1956	1957	1958 2/	1959 3/
	1935-39	1950-54					
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Edible vegetable oils 4/	7,595	9,283	10,450	10,680	11,570	11,834	12,500
Butter (fat content)	4,190	3,650	3,870	4,050	4,170	4,250	4,300
Lard	3,485	3,995	4,295	4,535	4,525	4,428	4,525
Palm oils 5/	3,650	3,842	4,070	4,296	4,232	4,040	4,220
Industrial oils 6/	1,570	1,473	1,355	1,424	1,777	1,501	1,635
Tallow and greases	1,615	2,575	2,980	3,205	3,225	3,125	3,175
Marine oils 7/	1,055	985	1,050	1,060	995	985	995
World total	23,160	25,803	28,070	29,250	30,494	30,160	31,350
U. S. production	3,352	5,979	6,701	7,166	7,117	7,014	7,500
U. S. as a percentage of world	Percent 14	Percent 23	Percent 24	Percent 24	Percent 23	Percent 23	Percent 24

1/ World totals for output of edible vegetable and industrial oils as based upon production of oilseeds less estimated non-crushing uses. No allowance is made for changes in carryover stocks of oilseeds. U. S. data through most of 1958 include reported production of oil plus oil equivalent of exported oilseeds. Forecasts for the U. S. in 1959 are based upon availabilities. 2/ Partly estimated. 3/ Forecast. 4/ Olive, cottonseed, peanut, soybeans, sunflower, rapeseed and sesame. 5/ Coconut, palm kernel, palm and babassu kernels. 6/ Linseed, castor, tung, oiticica, and perilla. 7/ Whale, sperm whale, fish and fish livers.

Prepared by Foreign Agricultural Service, Fats and Oils Division.

Table 15.--Fats, oils, and oilseeds in terms of oils: World indigenous exports by type, averages 1935-39, 1950-54, annual 1955-59

Fat or oil	Average		1955	1956	1957	1958 1/	1959 2/
	1935-39	1950-54					
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Edible vegetable oils 3/	1,744	1,515	2,128	2,446	2,389	2,475	2,700
Palm oils 4/	2,106	2,222	2,339	2,564	2,489	2,283	2,500
Industrial oils 5/	935	641	724	599	804	695	750
Butter (fat content)	460	395	500	420	445	455	460
Lard	180	325	345	377	342	312	340
Tallow and greases	245	570	850	1,010	975	900	875
Marine oils 6/	710	694	725	760	725	695	700
World Total	6,380	6,362	7,611	8,176	8,169	7,815	8,325
United States exports 7/	127	1,217	1,980	2,395	2,242	1,945	2,050
U. S. as a percentage of world	Percent 2	Percent 19	Percent 26	Percent 29	Percent 27	Percent 25	Percent 25

1/ Partly forecast. 2/ Forecast. 3/ Olive oil and the following oils and oil content of oilseeds: cottonseed, peanut, soybeans, sunflower, rapeseed and sesame. 4/ Coconut, palm kernels, palm and babassu. 5/ Linseed oil and seed, castor oil and seed, tung, oiticica and perilla oils. 6/ Whale sperm, whale and fish, including fish liver. 7/ U. S. exports include only the fats and oils which are included in the above world total.

Prepared by Foreign Agricultural Service, Fats and Oils Division.

Table 16.--Cottonseed and soybean oils: U. S. exports, Public Law 480, and other, by countries, year beginning October, 1955-57

Country or area	1955			1956			1957		
	Public:	Other:	Total:	Public:	Other:	Total:	Public:	Other:	Total:
	Law 480	1/ lb.		Law 480	1/ lb.		Law 480	1/ lb.	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
<u>Europe</u>									
Germany-Netherlands:	---	197	197	---	322	322	---	112	112
Belgium	---	1	1	---	13	13	---	11	11
United Kingdom	---	2/	2/	---	7	7	---	2/	2/
Greece	39	29	68	41	8	49	---	3	3
Italy	26	4	30	153	27	180	67	---	67
Spain	275	156	431	220	115	335	318	65	383
Yugoslavia	---	---	---	25	11	36	82	---	82
Other	---	3	3	3/2	6	8	3/28	8	36
Total	340	391	731	441	509	950	495	199	694
<u>Canada</u>	---	59	59	---	50	50	---	48	48
<u>Latin America</u>									
Cuba	---	11	11	---	13	13	---	12	12
Mexico	---	5	5	---	8	8	---	32	32
Argentina	157	0	157	---	---	---	---	---	---
Chile	27	43	70	53	1	54	---	2/	2/
Colombia	14	0	14	---	10	10	6	11	17
Ecuador	8	1	9	7	2	9	4	1	5
Peru	8	0	8	---	4	4	---	2/	2/
Other	---	21	21	4/2	19	21	7	21	28
Total	214	81	295	62	57	119	17	77	94
<u>All Other</u>									
Algeria	---	17	17	---	15	15	---	---	---
Morocco	---	39	39	---	30	30	---	32	32
Spanish Africa	---	---	---	---	9	9	---	---	---
Israel	13	0	13	---	---	---	10	---	10
Turkey	---	---	---	46	0	46	146	---	146
Pakistan	---	1	1	---	2/	2/	13	---	13
Japan	---	5	5	---	7	7	---	4	4
Others	---	1	1	---	4	4	8	2	10
Total	13	63	76	46	65	111	177	38	215
Charitable agencies	---	6	6	---	---	---	---	---	---
Grand total	567	601	1,168	549	681	1,230	689	362	1,051

1/ Includes ICA financing. 2/ Less than 1 million pounds. 3/ Poland. 4/ Paraguay.

last year. About 160 million pounds of exports under P.L. 480 will consist of programs carried over from last year, compared with only 45 million pounds a year earlier. As new P.L. 480 programs in 1958-59 are expected to call for at least as much edible oils as last year, the exact level of exports will be in part determined by the percentage of program oil that is shipped prior to October 1, 1959.

Germany and the Netherlands constitute the major market for regular dollar purchases of U. S. edible oils. Last year this area received 112 million pounds, about 31 percent of exports outside of ICA and P.L. 480 and 11 percent of total exports. Most of the oil is cottonseed oil used in a high quality margarine in Germany. As indicated earlier, this market for U. S. oil was partly lost to African peanuts last season due to a short cotton crop in the U. S. and bumper peanut crops in Africa which made peanut oil cheaper. This market situation is likely to continue in 1958-59 as large supplies of foreign peanut oil and low prices will make it more competitive in this market outlet.

LARD

Prospects for 1958-59

Lard Output Expected to Rise
11 Percent in 1958-59; Prices
May Average A Little Lower

Lard output (including farm) in the marketing year which began October 1, 1958 is forecast at about 2,700 million pounds, 11 percent more than a year earlier. Most of the increase will take place during the last half of the crop year. The increase reflects a prospective rise in hog slaughter as well as slightly higher lard yields per hog killed. Total supplies of lard in 1958-59 (carryover stocks on October 1, 1958, plus production) are placed at 2,750 million pounds, about 250 million more than in 1957-58.

Hog slaughter this fall is averaging not greatly different from last fall; the 1958 spring pig crop was only 2 percent larger than the 1957 crop, and more gilts from this year's crop were retained for breeding. Because of this fall's increased pig crop, slaughter in the early months of 1959 will be substantially above the low level of a year earlier. Reports in June were that hog producers planned to increase hog output 14 percent this fall. A September report for 9 Corn Belt States indicated that their plans were carried out fully and might even have been stepped up a bit. Hogs from the fall crop will arrive at markets beginning early 1959.

Breeding intentions indicated that sows to farrow in these 9 States during the 1959 winter quarter (December 1958 through February 1959) would be up 20 percent from the same period a year earlier. This may overstate the prospective increase in the spring total, as a further shift to early farrowing dates may be occurring. But a substantial rise in the total 1959 spring pig crop appears probable.

Table 17.--Lard from total commercial slaughter: Factors relating to production by months, 1950 to 1957 ^{1/}

Total commercial slaughter of hogs ^{2/}													
Year beginning Oct.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Total or average
	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.	Thou.
1950	6,180	7,342	8,053	8,048	5,365	6,327	6,111	6,002	5,658	4,670	5,318	5,473	74,546
1951	6,949	7,856	8,285	8,415	7,164	7,140	6,563	5,622	5,256	4,657	4,642	5,479	78,027
1952	6,878	7,099	8,777	7,764	5,812	6,232	5,450	4,548	4,448	4,106	4,278	5,078	70,470
1953	6,094	6,649	6,452	5,874	4,887	5,648	4,724	4,205	4,272	4,123	4,723	5,769	63,420
1954	6,223	6,969	7,408	6,810	5,761	6,714	5,449	5,098	4,608	4,197	5,423	6,158	70,818
1955	7,226	8,100	8,672	8,038	7,102	7,514	6,260	5,865	5,177	5,064	5,524	5,967	80,510
1956	7,507	7,705	6,790	6,880	5,996	6,381	5,977	5,866	4,792	5,032	5,310	5,997	74,234
1957 ^{3/}	7,224	6,536	6,603	6,714	5,421	5,792	5,920	5,300	5,010	5,162	5,348	6,165	71,195
1958													
Average live weight of hogs slaughtered													
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1950	228	235	241	244	238	235	237	240	254	267	253	232	241
1951	228	233	237	240	239	234	231	237	248	254	245	231	237
1952	227	233	237	237	230	228	230	239	254	254	234	223	235
1953	224	232	236	239	233	234	242	254	265	257	235	227	238
1954	230	237	241	242	235	235	240	246	256	250	235	227	239
1955	227	233	235	235	230	228	231	236	245	241	230	224	233
1956	226	232	234	233	231	232	235	241	248	240	227	221	233
1957 ^{3/}	225	232	235	234	228	230	236	242	246	241	230	228	234
1958													
Yield of lard per 100 pounds live weight													
1950	13.3	13.3	14.0	14.5	13.7	13.7	13.8	14.4	14.4	14.4	13.7	13.9	13.9
1951	13.5	13.9	14.3	14.2	14.9	14.9	14.8	14.6	14.2	14.2	13.6	13.1	14.2
1952	13.3	13.7	14.1	14.7	14.2	13.7	13.9	13.9	13.3	13.4	12.6	12.3	13.7
1953	12.8	13.4	13.7	13.5	13.4	13.1	13.4	13.6	13.8	14.0	13.3	13.0	13.4
1954	13.8	13.8	14.4	14.3	14.2	14.0	14.0	14.4	14.1	14.0	13.5	13.2	14.0
1955	13.1	14.0	14.3	14.5	14.1	14.8	14.3	14.4	14.2	13.9	13.5	13.3	14.1
1956	13.5	13.8	14.1	14.1	14.3	14.5	14.7	14.9	14.6	13.8	13.2	13.0	14.0
1957 ^{3/}	13.3	13.7	13.9	14.1	13.8	13.3	13.5	13.9	13.5	13.4	12.8	12.9	13.5
1958													
Yield of lard per hog slaughtered													
1950	30.4	31.2	33.7	35.4	32.6	32.2	32.7	34.5	36.6	38.3	34.6	32.2	33.6
1951	30.9	32.3	33.9	34.1	35.6	34.7	34.3	34.7	35.2	36.1	33.4	30.3	33.8
1952	30.2	32.0	33.4	34.8	32.7	31.1	31.9	33.0	33.7	34.1	29.4	27.4	32.1
1953	28.6	31.1	32.2	32.3	31.3	30.8	32.4	34.5	36.7	36.1	31.3	29.5	32.0
1954	31.7	32.6	34.8	34.5	33.3	32.8	33.6	35.5	36.2	35.0	31.7	29.9	33.4
1955	29.8	32.6	33.7	34.0	32.5	33.7	33.1	33.9	34.8	33.4	31.1	29.7	32.7
1956	30.4	31.9	33.0	32.8	33.0	33.7	34.5	36.0	36.3	33.0	29.9	28.8	32.7
1957 ^{3/}	29.9	31.8	32.6	32.9	31.4	30.6	31.8	33.6	33.3	32.4	29.5	29.5	31.6
1958													
Lard rendered ^{4/}													
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1950	188	229	271	285	175	204	200	207	207	179	184	176	2,506
1951	215	254	281	287	255	248	225	195	185	168	155	166	2,634
1952	208	227	293	270	190	194	174	150	150	140	126	139	2,262
1953	174	207	208	190	153	174	153	145	157	149	148	170	2,028
1954	197	227	258	235	192	220	183	181	167	147	172	184	2,363
1955	215	264	292	273	231	253	207	199	180	169	172	177	2,632
1956	228	246	224	226	198	215	206	211	174	166	159	173	2,426
1957 ^{3/}	216	208	215	221	170	177	188	178	167	167	158	182	2,247
1958													

^{1/} Totals computed from unrounded data. ^{2/} Represents slaughter in federally inspected establishments plus non-inspected slaughter in retail and wholesale establishments. Does not include farm slaughter. ^{3/} Preliminary. ^{4/} Includes rendered pork fat.

Table 18.- Lard: Supply, disposition and price, by months,
crop years 1950-57 1/

Year begin- ning October	Production (excluding farm)												Year
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1950	188	229	271	285	175	204	200	207	207	179	185	176	2,506
1951	215	254	281	287	255	248	226	195	185	168	155	166	2,634
1952	208	227	293	270	190	194	174	150	150	140	126	139	2,261
1953	174	207	208	190	153	174	153	145	157	149	148	170	2,028
1954	197	227	258	235	192	220	183	181	167	147	172	184	2,363
1955	215	264	292	273	231	253	207	199	180	169	172	177	2,632
1956	228	246	224	226	198	215	206	211	174	166	159	173	2,426
1957 2/	216	208	215	221	170	177	188	178	167	167	158	182	2,247
1958													
Stocks, first of month													
1950	82	79	99	127	163	159	147	142	132	124	91	72	
1951	57	60	67	104	120	138	154	178	185	215	208	168	
1952	143	112	137	211	242	242	239	226	201	169	109	56	
1953	42	45	51	74	76	73	79	74	69	66	58	48	
1954	50	51	75	104	124	138	137	140	144	133	118	97	
1955	75	75	98	147	184	210	233	226	211	203	178	141	
1956	123	106	103	112	101	112	119	127	120	107	102	77	
1957 2/	69	68	79	101	101	91	85	87	87	66	55	50	
1958	46												
Exports 3/													
1950	19	28	43	54	36	58	70	73	73	77	53	46	630
1951	32	76	95	101	105	90	61	52	33	34	40	31	751
1952	48	50	48	54	52	45	45	37	32	37	38	28	515
1953	23	39	45	38	44	27	49	55	36	32	37	30	456
1954	49	59	64	61	54	54	61	40	35	33	40	35	587
1955	60	70	75	74	56	66	61	73	49	47	46	42	719
1956	53	52	53	43	43	67	47	72	58	39	29	34	590
1957 2/	50	42	38	42	42	41	25	43	36	40	30	28	457
1958													
Domestic disappearance													
1950	172	181	200	194	144	158	135	143	141	136	151	145	1,901
1951	180	170	149	170	132	142	141	136	124	141	155	161 4/	1,803
1952	191	153	171	185	138	151	142	138	150	163	142	124	1,848
1953	148	162	140	151	112	141	109	95	124	125	121	137	1,564
1954	147	144	165	153	124	167	119	138	143	129	152	171	1,751
1955	155	170	169	163	149	164	153	141	139	147	163	153	1,864
1956	192	197	163	194	144	141	152	146	129	133	155	147	1,891
1957 2/	167	155	155	179	138	142	162	135	151	138	134	158	1,813
1958													
Price per pound, tanks, loose Chicago													
1950	12.5	13.7	15.7	17.3	18.1	17.9	16.5	16.4	15.2	15.4	16.6	16.1	16.0
1951	16.3	13.9	13.9	12.9	11.4	10.7	9.7	10.4	10.2	10.0	9.2	9.4	11.5
1952	8.5	8.4	7.8	7.2	7.9	9.1	9.3	10.4	9.6	11.7	14.6	17.2	10.1
1953	15.8	14.1	15.9	15.3	15.9	16.9	19.1	17.4	15.4	16.2	17.0	15.5	16.2
1954	14.2	13.6	12.1	11.5	11.1	10.9	11.8	11.2	10.8	10.6	9.9	10.2	11.5
1955	10.7	9.8	9.0	9.1	9.7	9.7	10.8	11.4	10.1	10.4	11.3	11.7	10.3
1956	12.2	12.6	13.5	13.9	13.5	13.0	12.8	11.3	12.1	12.9	12.3	12.5	12.7
1957	11.9	11.2	10.9	10.6	11.7	11.4	11.6	11.7	11.6	12.0	12.8	11.5	11.6
1958													

1/ Totals computed from unrounded data.

2/ Preliminary and partly estimated.

3/ Including shipments to U. S. Territories.

4/ Includes 6 million pounds of imports.

Annual changes in lard production are closely associated with similar changes in the number of hogs slaughtered. Two other factors that influence total output are live weight of hogs and percentage yield of lard; of the three, of course, number of hogs slaughtered is the most important.

A high hog-corn price ratio favors the feeding of hogs to heavy weights, particularly when hog prices are likely to be well maintained at a relatively high level, as during 1957-58. Lard yields are likely to increase in 1958-59--this usually happens when hog slaughter rises, because of a tendency for packers to trim more fat from pork cuts then.

Lard prices (tanks, loose, Chicago) averaged 11.6 cents per pound during 1957-58, 1.1 cents below the previous year. Lard prices have generally moved downward since October 1, the beginning of the 1958-59 marketing year, and in mid-November were 10.7 cents per pound, about 0.3 cents below October 1957. Lard prices this fall and winter may not average much less than in 1957-58. However, lard prices in the second half of the marketing year probably will average below a year earlier as hog slaughter gathers momentum. The season average price probably will be a little lower than last year.

Domestic disappearance of lard in 1958-59 is forecast at 2,200 million pounds, about 9 percent more than the previous year. The rise would mainly reflect increased usage of lard in the manufacture of shortening. This is the lard which is blended with other fats or oils in the manufacture of that product. In recent years, the direct use of lard as such has been relatively stable at around 1.6 billion pounds, representing about 75 percent of total domestic disappearance. On a per capita basis, the direct use has shown a long run downtrend. It has declined from 14.4 pounds per person in 1940 to an estimated 9.5 pounds in 1958. Assuming that the direct use of lard in 1958-59 remains at about the year-earlier level, about 550 million pounds would be available for use in the manufacture of shortening.

It is in the manufacture of blended shortenings that lard competes with other edible fats and oils, mainly soybean oil. Because of the interchangeability of most fats and oils in the production of shortening, the relative prices of raw materials primarily determine the quantities used in this market outlet. Prices of lard relative to soybean oil during most of 1958-59 are expected to be much closer than last year and the use of lard in shortening likely will increase. Furthermore, there has been an increased tendency for shortening manufacturers to use lard in the manufacture of their product.

Exports and shipments of lard during 1958-59 probably will increase slightly from the relatively small outward movement of 457 million pounds last year. While foreign supplies in some importing countries are likely to remain large, lower U. S. lard prices and the greater availability of our product should encourage larger U. S. exports. Lard currently is not being offered for shipment under P.L. 480.

Exports, domestic use as lard, and domestic use in shortening are the three market outlets accounting for the total disappearance of lard. If estimated requirements for these outlets are substantially accurate, about 75 million pounds of lard will be carried over on October 1, 1959, up slightly from beginning stocks.

Table 19.--Lard: Supply and disposition, 1947-57 ^{1/}

Year beginning October	Supply			Disposition			
	Pro- duction	Stocks October 1	Total	Exports and shipments			Domestic disap- pearance ^{2/}
				Exports	Ship- ments	Total	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	2,283	142	2,425	298	45	343	1,956
1948	2,480	117	2,597	556	48	604	1,912
1949	2,629	66	2,695	520	64	584	2,022
1950	2,812	82	2,894	583	47	630	2,184
1951	2,918	57	3/2,981	688	63	751	2,071
1952	2,509	143	2,653	467	48	515	2,111
1953	2,248	42	2,290	398	58	456	1,773
1954	2,564	50	2,614	528	59	587	1,959
1955	2,851	75	2,926	662	57	719	2,066
1956	2,624	123	2,748	530	60	590	2,049
1957 ^{4/}	2,441	69	2,510	396	61	457	2,016
1958		46					

^{1/} Totals computed from unrounded data.^{2/} Adjusted for estimated changes in stocks on farm.^{3/} Includes 6 million pounds imported.^{4/} Preliminary.Table 20.--Lard: Utilization, year beginning October, 1947-57 ^{1/}

Year beginning October	Food uses				Non-food uses			Total domestic disap- appearance
	Shorten- ing	Margar- ine	Direct use	Total	Soap	Other indus- trial	Total	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	115	4	1,831	1,950	5	2	6	1,956
1948	122	4	1,767	1,893	<u>2</u> /	18	18	1,912
1949	159	4	1,825	1,989	---	33	33	2,022
1950	201	5	1,892	2,097	58	29	87	2,184
1951	214	4	1,829	2,048	---	23	23	2,071
1952	249	7	1,847	2,103	---	8	8	2,111
1953	139	6	1,626	1,772	<u>2</u> /	1	1	1,773
1954	291	11	1,650	1,952	2	5	7	1,959
1955	403	27	1,632	2,062	1	2	4	2,066
1956	425	27	1,594	2,046	1	2	3	2,049
1957 <u>3</u> /	345	19	1,652	2,015	<u>2</u> /	1	1	2,016
1958								

^{1/} Totals computed from unrounded data.^{2/} Less than 500,000 pounds.^{3/} Preliminary.

Table 21.--Lard, including rendered pork fat: United States exports and shipments, by country of destination, 1950-57 ^{1/}

Country of destination	Year beginning October							
	1950	1951	1952	1953	1954	1955	1956	1957
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
North America:								
Canada	20	3	5	4	5	11	30	13
Costa Rica	8	7	7	7	10	8	2	2
Cuba	130	170	147	153	170	161	176	185
Dominion Republic	---	1	2/	2/	---	---	2/	2/
El Salvador	2	4	5	1	4	4	3	5
Guatemala	7	8	7	5	11	11	4	5
Haiti	5	8	7	5	5	7	6	6
Mexico	25	42	32	44	26	17	11	14
Netherland Antilles	1	1	2	1	2/	2/	2/	2/
Canal Zone	1	1	1	1	1	1	1	2/
Panama, Republic of	10	7	7	6	6	5	5	9
Other	1	1	3	1	2/	2	2	2
Total	210	253	223	228	238	227	240	239
South America:								
Bolivia	2	2	3	4	7	8	3	2
Brazil	2/	---	10	2/	2/	10	7	---
Colombia	3	8	1	1	4	1	1	---
Ecuador	2/	2	14	6	6	2/	2/	2/
Peru	9	21	19	5	6	9	3	1
Venezuela	8	8	3	1	2	1	1	1
Other	2/	2/	1	2/	2/	2	2/	2/
Total	22	41	51	17	25	30	15	4
Europe:								
Austria	16	40	21	5	27	31	7	4
Belgium-Luxembourg	3	1	2/	2/	2/	1	2/	2/
Czechoslovakia	---	---	---	---	---	---	---	---
France	3	3	2/	2	2/	---	---	---
Western Germany	28	65	60	43	59	74	36	7
Italy	2	1	2/	2/	2/	2/	2/	2/
Netherlands	43	60	33	17	23	5	1	2/
Poland	---	---	---	---	1	---	---	2/
Switzerland	3	2	1	1	1	2/	2/	2/
United Kingdom	167	164	27	57	132	188	165	122
Yugoslavia	76	48	30	25	16	96	60	12
Other	1	5	15	1	1	1	1	2
Total	342	389	187	151	260	396	270	147
Asia	9	5	6	1	3	3	3	3
Other	2/	2/	2/	1	2	6	2	1
Total exports	583	688	467	398	528	662	530	396
Shipments to U. S. Territories:								
Puerto Rico	46	62	47	58	59	57	59	61
Virgin Islands	1	1	1	1	2/	2/	2/	2/
Guam	---	---	---	2/	2/	2/	2/	2/
Total shipments	47	63	48	58	59	57	60	61
Total exports and shipments	630	751	515	456	587	719	590	457

^{1/} Totals computed from unrounded numbers.^{2/} Less than 500,000 pounds.

World Hog Slaughter and Lard
Output Continue Upward

World hog slaughter in 27 countries covered by a Foreign Agricultural Service study is continuing to increase in 1958 and a further rise is expected in 1959. However, the various areas studied showed conflicting trends. Thus European slaughter, which rose rapidly to its 1958 high, is expected to level off and even drop somewhat in 1959, while hog slaughter in North America, which dropped in 1957 and 1958, is expected to rise sharply next year. Hog slaughter in South America is expected to rise slightly while it will probably remain level in Oceania.

The most important effect of these changes upon U. S. hog producers will be from the leveling off of European hog production now in progress. The high level of slaughter and lard production in Europe this year cut sharply into U. S. shipments of lard to that area.

Hog slaughter is expected to rise sharply in North America next year due primarily to heavy U. S. production and some further expansion in Canada. Large feed grain stocks, high prices for pork, and a drop in the production of beef during 1958 have encouraged U. S. producers to expand their operations. Canadian hog kill, which rose sharply during the second half of 1958, is expected to continue slightly higher in 1959. Feed grain supplies are abundant and hog prices have remained high. New high hog price supports announced this year have also served to increase production by assuring farmers a floor price for their animals. Hog slaughter in Mexico and Cuba continues to rise. These 2 countries are pork and lard importers, but the steady increase in hog production in recent years has not kept pace with increasing demand for pork. However, vegetable oil production in both areas has cut into the demand for lard.

Over-production of hogs in Argentina during 1957 and early 1958 caused a sharp decline in prices. Farmers reacted by decreasing hog production. This is reflected in the sharp drop in 1958 and 1959 hog kill. Brazilian hog slaughter continued to increase in 1958 and further increases are looked for in 1959. Brazil has the most hogs in South America, and the fourth largest number in the world.

Slaughter in Denmark, which dropped during the second half of 1958, is expected to remain at the same level in 1959. Weak prices for Danish bacon on the U. K. market and large German production have reduced the profit margin of Danish hog producers. French hog slaughter dropped in 1958 and a further slight drop is expected in 1959. Irish hog kill, which rose sharply in 1958 will probably drop in 1959.

In the Netherlands, slaughter is also expected to drop in 1959. Here again over-production during 1957 and 1958 caused farmers to reduce their hog production. A good 1957 corn crop in Yugoslavia and government aids to production are expected to push up slaughter sharply in 1958 and 1959.

West German hog slaughter, which rose steadily during the last 8 years, is expected to drop next year. Pork and lard was abundant in West Germany this year and prices were weak. The Government bought pork for canning and restricted imports to help support prices. The United Kingdom hog kill rose sharply in 1958 and is expected to continue upward next year. Although there is some indication that reduced subsidies and weak prices have discouraged hog producers, no decline in slaughter is expected before the end of 1959.

Lard Outlook for 1959-60

Sharp Increase in Lard

Output Highly Probable;

Prices Likely to Average Lower

Lard output in 1959-60 probably will increase, following a sharp rise in 1959 hog production. The 1959 spring pig crop will be substantially greater than the 1958 crop and the 1959 fall crop also will likely increase. The combined spring and fall pig crops will provide most of the hogs slaughtered during 1959-60.

All prospects point to a continued abundance of feed supplies and to relatively low feed prices, conditions that will encourage feeding hogs to heavy weights. With heavy trim of fat, lard yields per hog killed will likely increase. Lard supplies in the fall of 1959 probably will be up appreciably, and the 1959-60 total output may increase 8 - 10 percent. Lard prices would be sharply below late 1957 and 1958.

BUTTER OUTLOOK

1958-59 Butter Output Expected

to be Slightly Below Year Earlier Level;

Prices Likely to Average Near Support

Butter output in the 1958-59 year, beginning October 1, 1958, probably will be a little less than the 1,530 million pounds a year ago. Total supplies in 1958-59 will not be down as much as production because of a slight increase in Government stocks this October 1. Milk output may increase slightly but a larger proportion of it probably will be used as fluid milk and dairy products other than butter.

Since April 1, 1958 butterfat support prices have been at 75 percent of parity, the lowest permitted by present legislation. Prices to farmers have averaged 1 to 2 cents less than a year earlier though they have increased a little recently with the seasonal downturn in output. The parity index has been essentially stable since last spring when the support level for the year was announced and if it continues so, the legal minimum support for 1959-60 will be near that of this year. The actual support level for the dairy marketing year to start next April 1 will be announced before that time. With production of milk likely to continue above commercial use, prices to farmers for butterfat are likely to continue around supports in 1959.

Table 22.--Creamery butter (actual weight): Supply, disposition and price, by months, crop years 1950-57 ^{1/}

Year beginning October	Production												
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1950	89	76	78	86	81	92	102	133	141	130	119	94	1,220
1951	87	68	70	79	79	91	103	135	128	118	106	92	1,155
1952	88	76	95	104	102	121	133	156	154	136	119	95	1,378
1953	92	91	109	118	117	142	141	165	160	128	109	92	1,464
1954	89	88	99	108	104	121	129	158	152	123	102	92	1,366
1955	95	93	106	115	114	130	135	152	149	128	110	92	1,418
1956	93	92	103	115	110	125	132	159	148	126	107	90	1,402
1957 ^{2/}	100	94	106	119	113	129	130	151	145	127	98	87	1,399
Cold storage stocks, first of month													
1950	234	208	160	105	75	53	33	32	43	73	104	117	
1951	114	95	59	27	14	8	7	11	31	69	100	111	
1952	111	102	84	73	86	100	133	150	194	257	310	335	
1953	323	312	291	282	294	304	347	376	422	468	504	508	
1954	489	463	423	379	342	315	311	293	308	335	352	328	
1955	295	257	202	163	132	98	88	77	80	110	134	118	
1956	90	62	40	25	29	32	41	62	96	147	176	172	
1957 ^{2/}	145	127	109	87	86	88	106	116	135	171	190	178	
1958	145												
Exports ^{3/}													
1950	1	8	9	3	4	9	4	2	4/	4/	4/	4/	43
1951	4/	4/	4/	4/	4/	4/	4/	4/	4/	4/	4/	4/	3
1952	4/	4/	4/	4/	4/	4/	4/	4/	4/	4/	4/	4/	14
1953	3	2	8	4/	5	5	6	1	9	4/	2	3	45
1954	1	13	11	18	19	14	16	37	32	14	2	11	190
1955	9	21	34	28	19	39	14	28	23	8	7	9	240
1956	1	3	2	1	1	3	1	1	4/	2	1	2	18
1957 ^{2/}	1	1	1	3	6	2	9	3	3	2	6	1	35
Domestic disappearance ^{5/}													
1950	114	115	123	113	100	103	99	120	111	98	106	97	1,298
1951	105	103	102	92	84	93	98	115	90	86	94	92	1,155
1952	97	94	106	91	88	88	116	112	90	83	93	95	1,152
1953	100	110	110	106	102	95	106	117	104	92	103	109	1,255
1954	113	116	133	127	112	110	132	106	94	91	124	113	1,371
1955	124	126	111	118	129	101	132	121	96	96	118	112	1,383
1956	120	112	116	111	107	112	110	124	97	95	110	115	1,329
1957 ^{2/}	118	111	127	117	105	109	114	127	107	105	104	119	1,363
Price per pound, 92 score, Chicago													
1950	63.2	64.0	66.6	69.8	68.9	66.7	66.5	69.5	68.2	66.7	66.4	67.0	67.0
1951	69.9	73.0	78.0	79.3	83.5	73.0	70.0	68.4	68.8	71.0	72.8	72.6	72.9
1952	71.0	69.2	67.1	66.9	66.9	66.6	65.1	65.1	65.1	65.1	65.1	66.1	66.6
1953	67.4	66.2	65.5	65.3	65.3	64.5	57.3	57.1	56.9	56.9	57.0	58.4	61.5
1954	59.1	58.9	59.6	57.4	57.4	57.4	57.3	57.1	57.1	57.1	57.3	58.0	57.8
1955	57.6	57.9	57.7	57.4	57.4	57.4	58.3	59.2	59.1	59.2	59.5	60.3	58.4
1956	60.8	61.9	59.9	59.4	59.4	59.4	59.4	59.4	59.4	59.4	59.6	61.1	59.9
1957	59.8	59.4	59.7	59.4	59.4	59.3	57.8	57.7	57.8	57.8	58.2	60.2	58.9

^{1/} Totals computed from unrounded data. ^{2/} Preliminary and partly estimated. ^{3/} Including shipments to United States territories. Also includes donations to programs not included in Census data. ^{4/} Less than 500,000 pounds. ^{5/} Includes some imports.

Table 23.--Food fats and oils: Supply and disposition, 1951 to 1958 1/

Item	Year beginning October							
	1951	1952	1953	1954	1955	1956	1957 2/	Forecast* 1958
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
<u>Stocks, October 1</u>								
<u>Soybeans--oil</u>								
<u>equivalent 3/</u>	41	36	109	14	108	41	109	225
Butter	114	111	323	489	295	90	145	145
Lard	57	143	42	50	75	123	69	46
Cottonseed oil	193	393	1,016	896	361	254	146	121
Soybean oil	171	194	174	127	179	227	286	231
Others 4/	56	39	33	45	51	66	49	56
Total	590	880	1,589	1,608	962	760	695	599
Imports	46	45	61	91	57	47	65	65
<u>Production</u>								
Butter	1,376	1,578	1,648	1,536	1,571	1,541	1,527	1,500
Lard	2,918	2,509	2,248	2,564	2,851	2,624	2,441	2,700
Cottonseed oil 5/	1,729	1,840	2,106	1,723	1,893	1,626	1,417	1,550
Soybean oil	2,444	2,536	2,350	2,711	3,142	3,431	3,800	4,100
Others 4/ 5/	526	539	669	572	667	709	662	750
Total Fats and Oils	8,992	9,001	9,021	9,105	10,124	9,931	9,847	10,600
Soybean Exports--Oil Equiv.	167	320	436	666	741	937	939	975
Total	9,159	9,321	9,457	9,771	10,865	10,868	10,786	11,575
<u>Total supply</u>	9,796	10,246	11,107	11,470	11,884	11,675	11,546	12,238
<u>Exports 6/</u>								
Butter	3	14	45	190	240	18	35	
Lard	751	515	456	587	719	590	457	
Cottonseed oil 5/	126	55	402	716	617	427	250	
Soybean oil	271	93	71	50	556	807	803	
Others 4/ 5/	62	39	119	33	50	62	19	
Adjustment 7/	55	74	117	124	52	61	83	
Total fats and oils	1,268	790	1,209	1,699	2,234	1,965	1,647	
Soybeans--oil equivalent	167	320	436	666	741	937	939	
Total exports	1,435	1,110	1,645	2,365	2,975	2,902	2,586	
<u>Domestic use</u>								
Butter	1,375	1,352	1,438	1,540	1,536	1,469	1,491	
Lard 8/	2,071	2,111	1,773	1,959	2,066	2,049	2,016	
Cottonseed oil	1,404	1,162	1,824	1,543	1,384	1,307	1,191	
Soybean oil	2,150	2,462	2,326	2,609	2,540	2,565	3,052	
Others 4/	521	550	598	622	659	713	700	
Adjustment 7/	-55	-74	-117	-124	-52	-61	-83	
Total 8/	7,466	7,563	7,843	8,149	8,133	8,042	8,367	
<u>Total use for food 9/</u>	7,109	7,219	7,541	7,834	7,890	7,893	8,463	
<u>Per capita, civilian and military</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	<u>Lb.</u>	
Butter (fat content)	7.1	6.8	7.2	7.5	7.4	6.9	6.9	
Other	36.9	36.9	37.7	38.3	37.9	37.7	38.5	
Total (fat content)	44.0	43.7	44.9	45.8	45.3	44.6	45.4	

1/ Totals computed from unrounded numbers. 2/ Partly estimated. 3/ Not included in total stocks.
 4/ Includes beef fats, peanut, corn, olive and sesame oils. 5/ Includes oil equivalent of oilseeds exported for crushing. 6/ Includes shipments. Butter, cottonseed oil and adjustments include quantities from CCC stocks that are not reported in Census data. 7/ Includes exports of processed food oils not classified by kind, shortening and other secondary fats. 8/ Adjusted for estimated changes in stocks on farm. 9/ Excludes food fats used for nonfood purposes but includes nonfood oils (mostly coconut babassu and palm-kernel) used in food. *Except for stocks on October 1, 1958.

Table 24.--Nonfood fats and oils: Supply and disposition, 1951-58 1/

Item	Year beginning October								Forecast *
	1951	1952	1953	1954	1955	1956	1957	1958	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	
Stocks, October <u>1</u>									
Tallow inedible and grease	340	340	363	268	260	306	239	230	
Coconut oil	82	55	56	59	97	75	57	60	
Palm oil	19	24	18	23	21	22	19	15	
Linseed oil	670	649	587	253	94	101	102	90	
Tung oil	19	10	20	50	35	11	25	32	
Castor oil	34	27	46	29	43	38	22	24	
Other lauric acid oils <u>2/</u>	8	---	9	9	9	4	1	6	
Cod and fish liver oil	10	6	6	6	2	2	2	2	
Fish and marine oils	89	86	85	62	93	113	80	112	
Tall oil	69	83	84	59	59	96	106	110	
All others <u>3/</u>	35	27	25	27	30	26	27	25	
Total	1,375	1,306	1,299	844	741	794	680	706	
Imports									
Tallow inedible and grease	1	4/	3	4	2	3	4/		
Coconut oil <u>5/</u>	546	565	576	582	596	601	655		
Other lauric acid oils <u>2/</u>	13	49	34	57	40	47	53		
Palm oil	85	35	56	55	30	18	39		
Tung oil	30	15	41	25	25	37	26		
Castor oil <u>5/</u>	163	195	112	140	119	118	107		
Cod and fish liver oil	27	30	33	29	24	21	18		
Fish and marine oils	40	40	29	58	40	50	49		
All others <u>6/</u>	38	47	38	35	32	31	25		
Total	943	974	923	986	909	927	972	975	
Production									
Tallow inedible and grease <u>7/</u>	2,268	2,616	2,661	2,839	3,145	3,007	2,720	2,800	
Linseed oil <u>8/</u>	609	501	752	721	821	821	525	575*	
Tung oil	15	43	40	15	2	32	26	40	
Castor oil	8	11	8	4	1	3	9	25	
Cod and fish-liver oil	3	1	2	2	2	1	1	5	
Fish and marine oil	126	148	161	180	204	160	178	160	
Tall oil	325	321	332	524	622	547	588	590	
All others <u>3/</u>	16	36	24	39	31	42	44	50	
Total	3,369	3,678	3,980	4,324	4,828	4,611	4,091	4,245	
Total supply	5,687	5,960	6,202	6,154	6,478	6,334	5,743	5,926	
Exports and shipments									
Tallow, inedible and grease	720	1,070	1,186	1,265	1,494	1,431	1,107		
Coconut oil	42	16	11	10	9	9	9		
Linseed oil	19	4	430	220	112	133	29		
Flaxseed (oil equivalent)	55	4/	122	133	196	185	71		
Fish and marine oils	32	92	158	127	156	132	60		
Tall oil	42	36	58	58	39	50	38		
All others <u>3/</u>	6	14	11	15	23	34	13		
Total	915	1,231	1,976	1,827	2,029	1,974	1,328		
Domestic disappearance									
Tallow inedible and grease	1,550	1,523	1,574	1,584	1,607	1,647	1,623		
Coconut oil <u>9/</u>	531	547	563	535	607	611	642		
Other lauric acid oils <u>2/</u>	21	40	34	57	46	49	48		
Palm oil <u>9/</u>	80	41	52	57	28	21	43		
Linseed oil	557	558	535	527	505	503	437		
Tung oil	51	48	50	52	50	53	43		
Castor oil <u>9/</u>	176	187	136	128	123	133	114		
Cod and fish liver oil	34	32	34	35	25	22	19		
Fish and marine oils <u>9/</u>	135	96	56	81	68	109	134		
Tall oil	268	285	299	467	546	488	545		
All others <u>3/</u>	62	66	51	60	48	42	58		
Total	3,464	3,425	3,384	3,583	3,653	3,678	3,706		
Total non-food uses <u>10/</u>	3,404	3,391	3,271	3,364	3,346	3,393	3,254		
Per capita	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds		
Soap	8.5	8.0	7.7	6.7	6.6	5.8	5.5		
Drying oil products	6.0	6.0	5.8	5.9	5.6	5.6	4.7		
Other industrial products	6.9	6.9	7.1	7.4	7.4	8.2	8.6		
Total	21.4	20.9	20.5	20.1	19.7	19.6	18.9		

1/ Totals computed from unrounded data. 2/ Mainly palm kernel oil. 3/ Includes inedible olive oil, olive oil foots, neat's foot oil, and other vegetable oils not shown separately. 4/ Less than 500,000 pounds. 5/ Imports of oil plus production from imported material. 6/ Includes oiticica oil, rapeseed oil, wool grease, cashew nut shell oil, and other vegetables oils not shown separately. 7/ Apparent production computed from factory consumption, foreign trade and change in stocks. 8/ Includes oil equivalent of flaxseed exported for crushing abroad. 9/ Includes government stockpiling. 10/ Adjusted for foreign trade and changes in stocks of oleic acid, stearic acid, other fatty acids, foots and soap stock, and other inedible secondary oils; Government stockpiling; and food oils used in nonfood products and nonfood oils used in food products.

*Forecast except October 1, 1958 stocks. Flaxseed production does not include any export of possible CCC March 31, 1959 acquisitions.

Table 25.--Domestic disappearance of food fats, and fats and oils used in industrial products, year beginning October 1957 with comparisons

Year and item	Unit	Oct.-Dec.	Jan.-Mar.	Apr.-June	July-Sept.	Total
1955-56						
Butter:						
Actual weight	Mil. lb.	401	380	389	366	1,536
Fat content	Mil. lb.	323	306	313	295	1,237
Margarine:						
Actual weight	Mil. lb.	352	392	276	303	1,324
Fat content	Mil. lb.	285	318	224	245	1,072
Lard (direct)	Mil. lb.	457	459	351	366	1,632
Shortening	Mil. lb.	478	524	387	421	1,810
Other edible 1/	Mil. lb.	451	492	451	445	1,840
Food (fat content):						
Total	Mil. lb.	1,995	2,098	1,725	1,771	7,591
Per person 2/	Lb.	12.0	12.6	10.3	10.5	45.3
Soap 3/ 4/	Mil. lb.	302	271	270	268	1,111
Drying oil products 5/	Mil. lb.	235	238	235	230	938
Other industrial products 4/	Mil. lb.	288	344	310	301	1,243
All industrial products:						
Total	Mil. lb.	824	853	815	799	3,291
Per person 2/	Lb.	5.0	5.1	4.9	4.7	19.7
All products (fat content):						
Total	Mil. lb.	2,819	2,951	2,541	2,571	10,882
Per person 2/	Lb.	16.9	17.7	15.1	15.2	65.0
1956-57						
Butter:						
Actual weight	Mil. lb.	384	360	369	357	1,469
Fat content	Mil. lb.	309	290	297	287	1,183
Margarine:						
Actual weight	Mil. lb.	385	365	341	347	1,437
Fat content	Mil. lb.	311	293	274	281	1,160
Lard (direct)	Mil. lb.	454	406	367	367	1,594
Shortening	Mil. lb.	520	414	431	466	1,831
Other edible 1/	Mil. lb.	432	426	501	480	1,839
Food (fat content):						
Total	Mil. lb.	2,026	1,829	1,870	1,881	7,606
Per person 2/	Lb.	12.0	10.7	10.9	11.0	44.6
Soap 3/ 4/	Mil. lb.	232	271	248	233	983
Drying oil products 5/	Mil. lb.	258	219	243	237	958
Other industrial products 4/	Mil. lb.	389	341	330	347	1,406
All industrial products:						
Total	Mil. lb.	879	831	821	817	3,347
Per person 2/	Lb.	5.2	4.9	4.8	4.8	19.6
All products (fat content):						
Total	Mil. lb.	2,905	2,660	2,691	2,698	10,954
Per person 2/	Lb.	17.1	15.6	15.7	15.7	64.3
1957-58						
Butter:						
Actual weight	Mil. lb.	389	359	381	362	1,491
Fat content	Mil. lb.	314	289	306	291	1,200
Margarine:						
Actual weight	Mil. lb.	400	399	366	380	1,546
Fat content	Mil. lb.	324	322	295	306	1,248
Lard (direct)	Mil. lb.	465	409	393	384	1,652
Shortening	Mil. lb.	481	472	463	508	1,924
Other edible 1/	Mil. lb.	429	494	445	483	1,851
Food (fat content):						
Total	Mil. lb.	2,012	1,987	1,903	1,973	7,874
Per person 2/	Lb.	11.7	11.5	11.0	11.3	45.4
Soap 3/ 4/	Mil. lb.	244	240	225	247	956
Drying oil products 5/	Mil. lb.	187	183	218	227	815
Other industrial products 4/	Mil. lb.	413	335	335	415	1,498
All industrial products:						
Total	Mil. lb.	844	759	778	890	3,270
Per person 2/	Lb.	4.9	4.4	4.5	5.1	18.9
All products (fat content):						
Total	Mil. lb.	2,855	2,745	2,680	2,863	11,143
Per person 2/	Lb.	16.6	15.9	15.4	16.4	64.3

1/ Mainly salad and cooking oils. Includes all oils and fats (other than butter, lard, margarine and shortening) used in mayonnaise and salad dressing, bakery goods, and confectionery, commercial roasting and frying, etc. 2/ Civilian and military. 3/ Excludes fat equivalent of exports and shipments of soap. 4/ Fat equivalent of soap used in manufacturers (rubber, textiles, etc.) is included with "Other industrial products." Prior to 1949 most of the fats and oils used in synthetic detergents is believed to have been reported as used in soap. Beginning in January 1949, this use of fats and oils is entirely included in "Other industrial products." 5/ Paints, varnishes, floor coverings, oilcloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics (other than oilcloth), caulking, and other protective coatings.

Table 26.--Calculation of domestic disappearance of fats and oils, except butter, used in food, year beginning October 1957 with comparisons

Year and item	Unit	Oct.- Dec.	Jan.- Mar.	April- June	July- Sept.	Total
<u>1955</u>						
Fats and oils used principally for food <u>1/</u>						
Production	Mil. lb.	2,957	2,571	2,012	1,745	9,285
Net exports	Mil. lb.	811	666	619	542	2,638
Increase (+) or decrease (-) in stocks	Mil. lb.	+382	+30	-73	-326	+13
Nonfood uses	Mil. lb.	136	134	115	111	496
Other fats and oils, food uses <u>2/</u>	Mil. lb.	54	60	74	66	254
Net domestic disappearance of fats and oils: for food (butter excluded)						
Total	Mil. lb.	1,672	1,793	1,412	1,477	6,354
Per person, civilian and military	Lb.	10.0	10.7	8.4	8.8	37.9
<u>1956 3/</u>						
Fats and oils used principally for food <u>1/</u>						
Production	Mil. lb.	2,898	2,531	2,029	1,861	9,319
Net exports	Mil. lb.	920	824	604	439	2,787
Increase (+) or decrease (-) in stocks	Mil. lb.	+188	+106	-190	-74	+30
Nonfood uses	Mil. lb.	131	120	105	97	453
Other fats and oils, food uses <u>2/</u>	Mil. lb.	68	72	74	63	277
Net domestic disappearance of fats and oils: for food (butter excluded)						
Total	Mil. lb.	1,717	1,540	1,573	1,594	6,424
Per person, civilian and military	Lb.	10.1	9.0	9.2	9.3	37.7
<u>1957 3/</u>						
Fats and oils used principally for food <u>1/</u>						
Production	Mil. lb.	2,860	2,343	2,080	1,971	9,254
Net exports	Mil. lb.	787	464	667	522	2,440
Increase (+) or decrease (-) in stocks	Mil. lb.	+162	+118	-232	-273	-225
Nonfood uses	Mil. lb.	127	123	118	110	478
Other fats and oils, food uses <u>2/</u>	Mil. lb.	71	75	82	74	302
Net domestic disappearance of fats and oils: for food (butter excluded)						
Total	Mil. lb.	1,698	1,697	1,596	1,682	6,673
Per person, civilian and military	Lb.	9.9	9.8	9.2	9.6	38.5

1/ Includes lard, oleo oil, oleo stock, oleo stearine, edible tallow, corn, cottonseed, peanut, soybean and edible olive oil. Production and exports include oil equivalent of exported soybeans and peanuts for crushing abroad. Net exports also include margarine, shortening and vegetable stearine, and shipments. Change in stocks includes secondary oils, shortening, margarine and estimates for farm lard.

2/ Mainly babassu, coconut, palm-kernel and sesame oils.

3/ Preliminary.

Totals and per person estimates computed from unrounded numbers.

The outlook for 1958-59 indicates that total butter consumption may continue to hold steady at about the 1954-57 average level of around 1.5 billion pounds. In the coming year the amount of butter donated by the Government to school lunch and other domestic food programs probably will be less than a year earlier, reflecting the closer balance between milk production and commercial use.

Consumption of butter per person in 1958-59 probably will not change much from the 8.4 pounds of a year earlier. Use has trended downward considerably since 1935-39 when it was 17.0 pounds per person.

Level of Butter Output in
1959-60 Will Be Influenced
Less by Government Programs

The level of milk production turned downward in 1958 after 5 years of substantial increases. In 1959, production of milk appears likely to be in closer balance with commercial demand than in any of the past 6 years. Therefore butter production in 1959-60 will be influenced less by Government dairy price support programs than in several years. The overall surplus of milk fat at present support levels now in prospect for next year is so small that it could be doubled, or could disappear entirely, due to a moderate change in production or in demand. Of considerable influence in limiting milk output in 1958 was the rise in prices of cattle for slaughter. Increasing slaughter of cattle would lead to gradual declines in beef prices after a year or two. This situation would tend to slow down the rate of decline in the number of milk cows from 1958 when it was 3.5 percent. The decline probably will continue after 1959 at about the rate of the last several years--1 to 2 percent. Increased output of milk per cow, however, is likely to more than offset the reduction in number of cows for the next several years.

PEANUTS

Prospects for 1958-59

Large Surplus of 1958
Crop Peanuts; Farm
Prices Will Average Lower

The total supply of farmer's stock peanuts during the 1958-59 marketing year that began August 1, 1958 is placed at 2,224 million pounds, 350 million more than a year earlier (table 27). The increase is due to a 30 percent increase in output -- carryover stocks into 1958 were somewhat lower than 1957. The 1958 bumper crop will provide a large surplus of peanuts above probable food and farm uses and CCC will acquire the excess under the support program.

The 1958 peanut crop was indicated as of November 1, 1958 at 1,886 million pounds compared with 1,445 million produced in 1957. The rise reflects record yields as the acreage to be picked and threshed this year is estimated at 1,535,000 acres, about 3 percent above last year. Most of the increase

this year is in the Southwest; unfavorable harvesting weather in this region in 1957 sharply reduced the acreage finally picked and threshed.

Peanut output was indicated November 1 to be 60 percent greater than last year in the Southwest, 37 percent more in the Southeast and 7 percent larger in the Virginia-Carolina area. Estimated yield per acre for the U. S. is 1,228 pounds, up 258 pounds from 1957 and 67 pounds above the previous record set in 1956. The quality of the crop this year has been running much better than last year.

Prospects are that prices received by farmers for 1958 crop peanuts will average slightly lower than the 10.3 cents per pound for the 1957 crop. The drop would reflect a reduction in the support price and production large enough to keep prices around the loan level. The national average support price for 1958 crop peanuts is 10.7 cents per pound (\$213.20 per ton), compared with 11.1 cents last year. The loan value is the support price less approximately half a cent for charges for storage, inspection, grading and expenses of cooperatively marketing the peanuts. Loans on 1958 crop peanuts will be available to individual producers and to grower associations from the time of harvest through January 31, 1959, and will mature May 31, 1959, or earlier, on demand by CCC.

The average support prices by types, per pound, of 1958 crop quota peanuts are: Virginias, 11.2 cents; Runners, 10.0 cents; Southeastern Spanish, 10.9 cents; and Southwestern Spanish, 10.5 cents. Prices to farmers for Spanish and Runner peanuts so far this season are averaging near the CCC loan value, which is slightly less than last year. Virginia-Carolina peanuts have just started to move in volume and prices are also running near the loan rate.

Peanut Consumption Likely To Increase
Again In 1958-59; CCC May Acquire
30 Percent of Crop

In most postwar years when supplies of peanuts were plentiful, civilians consumed about 6.5 pounds per person, farmers' stock basis (4.5 pounds shelled), at prices about reflecting support. This level of consumption is about the same as for 1937-41. In 1955-56, supplies of the ball-park type peanuts were short and prices relatively high. This held total consumption to about 6 pounds. Consumption in 1956-57 moved up slightly and by 1957-58 had almost returned to the 6.5 pound level, as supplies were heavy and prices declined. With population growing, total consumption of peanuts increased nearly 8 percent in 1956 and another 6 percent in 1957.

Prospects point to an increase in consumption of peanuts during the 1958-59 marketing year. Supplies available during the season will be heavy and prices lower. The peanut consumption rate in 1958-59 could increase some if the anticipated reduction in farm prices is reflected in the price of peanut products purchased by consumers. Consumers' incomes are expected to rise further.

Table 27.--Peanuts: Supply and disposition (farmers' stock basis), United States, 1937-58

Year begin- ning Aug. 1	Supply				Disposition					
	Pro- duc- tion	Im- ports	Begin- ning stocks 1/	Total supply	Ex- ports and ship- ments	Crush- ed for oil	Seed, feed, farm loss and shrink- age	Domestic food use		
								Mili- tary	Civil- ian	Civil- ian per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average:										
1937-41:	1,395	5	122	1,522	3	320	197	15	891	6.7
1942	2,193	4	190	2,387	5	420	336	146	1,172	9.0
1943	2,176	2	308	2,486	34	488	295	223	1,085	8.5
1944	2,081	54	357	2,492	28	436	307	288	1,122	8.7
1945	2,042	32	311	2,385	64	397	295	14	1,268	9.4
1946	2,038	2/	367	2,405	249	534	293	---	1,081	7.7
1947	2,182	2/	248	2,430	482	477	301	3	932	6.5
1948	2,336	2/	235	2,571	725	473	210	6	955	6.5
1949	1,865	2/	202	2,067	172	610	219	7	856	5.7
1950	2,035	0	203	2,238	69	629	212	14	967	6.4
1951	1,659	0	347	2,006	8	432	139	10	1,005	6.6
1952	1,356	0	412	1,768	3	195	142	10	998	6.4
1953	1,574	2/	420	1,994	239	303	152	10	1,007	6.4
1954	1,008	180	283	1,471	9	107	132	7	1,012	6.3
1955	1,548	5	204	1,757	6	257	172	1	954	5.8
1956	1,608	5	367	1,980	102	260	162	3	1,026	6.1
1957	1,445	2	427	1,874	48	239	163	3	1,084	6.4
1958 3/ 4/	1,886	1	337	2,224			165		(1,150)	6.7

1/ Includes oil stock peanuts.

2/ Less than 500,000 pounds.

3/ Preliminary. Disposition is forecast.

4/ Indicated November 1.

Shelled edible peanuts and shelled oil stock peanuts converted to farmer stock peanuts based on conversion factors calculated from result of shelling operations in each year.

If the consumption of peanuts per person in 1958-59 should increase slightly and farm uses remained about the same as in recent years, about 570 million pounds, or 30 percent of the 1958 crop, would be available for CCC and commercial crushing, exports or for addition to stocks. As most of the excess peanuts will be acquired by CCC under the support program, the quantity crushed and exported will to a large extent depend on Governmental sales policy. As of the end of October, farmers had placed 175 million pounds of 1958 crop peanuts under loan.

Peanut Outlook For 1959-60

Output Likely To Be Ample; Marketing Quota Up 7 Percent

If growing conditions are average, the 1959 peanut crop probably will provide a moderate surplus above probable food and farm uses.

A marketing quota 886,000 tons (1,772 million pounds) of 1959 crop peanuts and a national allotment of 1,610,000 acres for picking and threshing was announced on November 3, 1958. This is the minimum marketing quota and acreage allotment permitted under existing legislation.

Peanut producers in December 1956 approved marketing quotas for the 1957, 1958 and 1959 crops. Quotas have been in effect since 1949. Price support will be available at a level between 75 and 90 percent of parity in 1959, depending upon the supply at the beginning of the marketing year.

"Modernized" Parity To Be In Effect for 1959 Crop Peanuts

Although the price support level for 1959 crop peanuts has not yet been announced, production probably will be large enough to keep prices around support.

Parity prices for peanuts have been in process of shift from "old" to "modernized" parity. Parity for the 1959 crop will complete the change. Based on data for October 1958, the modernized parity calculation was 0.2 cent per pound less than the transitional parity then in effect. Whether modernized parity for the 1959 crop also will be below effective 1958 parity will depend on any changes in prices for peanuts and all commodities in November and December 1958, and on changes in the parity index. The most likely is that it will be about the same as this year's parity, at the least only a little below.

Another factor in determining the support level for the 1959 crop peanuts is the relationship between the estimated supply and the "normal" supply for that marketing year. For example, if the estimated supply (carryover stocks, production and imports) is expected to be not more than 108 percent of the normal supply, support would be at 90 percent of parity. At the other extreme, if the supply percentage should be more than 130, minimum support would be 75 percent. Normal supply is defined by legislation as the estimated domestic consumption and export plus a carryout equal to 15 percent of the two.

The estimated supply, and consequently the minimum support level for 1958 crop peanuts, will depend largely on the size of the carryover. The greater the carryover, whether in Government or commercial hands, the greater will be the supply percentage.

FLAXSEED

Prospects for 1958-59

Flaxseed Crop Up Sharply; Farm Prices To Average Lower

Supplies of flaxseed and linseed oil (flaxseed equivalent) in the 1958-59 marketing year are currently estimated at nearly 55 million bushels compared with about 50 million last year (table 28). This year's supply includes flaxseed stocks of 9 million bushels and stocks of linseed oil (in terms of flaxseed) of nearly 6 million bushels. The total of about 15 million bushels was about 37 percent less than on July 1, 1957. About 3 million bushels or a third of the flaxseed stocks on July 1, 1958 were held by CCC and were sold for export early in the marketing year.

The 1958 flaxseed crop was indicated as of November 1 at 40 million bushels, 55 percent larger than the small crop of 1957. The yield per acre, indicated at 10.2 bushels, is the highest since 1948 and compares with 5.3 bushels in 1957 and the average of 9.0 bushels. This has been a pleasing season for most flaxseed growers, following disappointment in 1957. The crop generally developed under excellent to ideal growing conditions and showed steady improvement as the season progressed.

Farmers planted an estimated 4,117,000 acres of flax this year, a fourth less than 1957 and 15 percent under the 1947-56 average. The sharp reduction from last year in planted acres occurred in the main producing areas of the Dakotas, Minnesota, and Montana. Acres planted in Texas and California increased sharply this year. Acreage harvested is placed at 3,918,000 acres, 19 percent less than last year and 15 percent below average.

Prices to farmers for 1958 crop flaxseed are being supported at a national average of \$2.78 per bushel, down 14 cents from the 1957 level. In terms of parity, support is equal to 65 percent of the February 1958 parity price, the same level as a year earlier. As in previous years, support operations are being carried out in most areas through farm and warehouse stored loans and through purchase agreements. In designated Texas counties where flaxseed is storable only for a relatively short period, direct purchase is the support method.

Flaxseed prices to farmers have been moving downward this marketing year from \$2.85 per bushel in July 1958 to \$2.60 in October 1958. Flaxseed prices at Minneapolis in mid-November were about 45 cents below a year ago and somewhat under the support price. The season average farm price for 1958 crop flaxseed will average well below the \$2.94 per bushel received last year and slightly less than the support price of \$2.78 per bushel.

Flaxseed Supplies About
25 Percent Larger Than
Probable Domestic Use

Domestic oil use may require about 25 million bushels of flaxseed (500 million pounds of linseed oil) and another 4 million will be needed for seed and feed. This would leave 26 million bushels (55 million minus 29, including the flax equivalent of linseed oil) available for export and carryover stocks. If commercial stocks of flaxseed and linseed oil at the end of the 1958-59 season are not reduced below the relatively small quantity on hand at the beginning of the year (12 million bushels), about 14 million bushels would be available for export or delivery to CCC.

A substantial part of the 14 million bushels excess over estimated domestic use is likely to be delivered to CCC.

Linseed Oil Prices To
Average Lower in 1958-59

Linseed oil prices (raw, tank cars, Minneapolis) at the beginning of the 1958-59 marketing year averaged 13.7 cents per pound, 1.0 cent above July a year earlier. Prices since then have fallen sharply and in mid-November were 13.0 cents per pound, nearly 2.0 cents under a year ago. Present prospects indicate that linseed oil prices during the remainder of the marketing year will continue well below a year earlier. While some pickup in industrial activity and some increase from the drying oil industries is likely, the availability of large supplies is expected to hold prices below a year earlier.

Flaxseed Export Prospects
Not Favorable As World
Supplies Continue Heavy

The outlook does not appear favorable for large commercial exports of U. S. flaxseed in the 1958-59 marketing year. Large exportable supplies of linseed oil are likely in Argentina and of flaxseed in Canada. However, some commercial exports of U. S. flaxseed may take place because of the demand for seed for crushing. Some countries will pay a premium for flaxseed compared with linseed oil in order to utilize their crushing capacity. About 55 million bushels may be available for export as seed or oil from foreign countries alone. This will be about the average of total world exports in recent years, including large shipments from the U. S. Demand would increase if Russia were to come into the market for large quantities of oil.

Canada's flaxseed crop is estimated at 23 million bushels, 4 million more than last year's crop. Assuming Canada's domestic use at 7 million bushels, about 16 million bushels of 1958 seed would be available for export. In addition, a large part of the carryin stocks on August 1, 1958 of about 5.6 million bushels would be available for export.

In Argentina the crop is unofficially estimated at 25 million bushels, or just the same as the year before. Planted acreage was down considerably, but yields are expected to be better than last year's below-average ones. Roughly, one-half, or about 12 to 13 million bushels, probably will move out during January to June 1959. With about 19 million bushels of 1957 crop flaxseed (in the form of oil) available on July 1, 1958 in Argentina for export and carryover, exportable supplies in that country in July 1958-June 1959 may be about 30 million bushels.

Other foreign sources, mainly India and Uruguay, usually provide between 5 to 10 million bushels for export.

Flaxseed Outlook For 1959-60

Flaxseed Production Likely
To Continue Above Domestic Needs

U. S. production of flaxseed in 1959-60 probably will continue well above probable domestic use if growing conditions are average. Nearly 95 percent of the crop is grown in Minnesota and North and South Dakota where alternative land uses are limited. The wheat allotment for the 1959 crop is at the legal minimum, the same as the year before. Farmers reduced flaxseed acreage sharply from 1957 to 1958 mainly because of the disappointingly small yield per acre in 1957, coupled with a shortage of good quality seed and a sizeable reduction in the 1958 price support level. Yields in 1958 were up sharply from

the year before. Current prospects suggest planted acreage of flaxseed in 1959 probably will increase somewhat as more land will be available due to the discontinuance of the Soil Bank Acreage Reserve Program for wheat. Flaxseed prices at planting time and the 1959 support price will have some bearing on the flax acreage finally planted.

Price support for flaxseed is discretionary with the Secretary of Agriculture at any level from 0 to 90 percent. The 1958 crop is being supported at 65 percent of parity, \$2.78 per bushel, farm basis. Supports have been reduced each crop year since 1956. As yet, no support price has been announced for the 1959 crop.

TALLOW AND GREASE OUTLOOK

Domestic Use At High
Level in 1957-58 But
Exports Off Sharply; Carryover
Stocks Small

Apparent production of inedible tallow and greases in 1957-58 totaled 2,720 million pounds, nearly 300 million less than a year earlier (table 29). Domestic use totaled 1,625 million pounds, just under the year-earlier rate. Consumption of inedible tallow and greases in soap continued to slide off but this was about offset by a rise in other domestic outlets--mainly in feed. Exports during 1957-58 totaled 1,107 million pounds, about 325 million pounds or 20 percent less than the previous year. Total disappearance in 1957-58 was about equal to output leaving carryin stocks at the relatively low level of a year earlier. Carryin stocks on October 1, 1958 were 230 million pounds compared with 239 million a year ago and the lowest since 1946.

Prices of inedible tallow (prime, tank cars, Chicago) were relatively stable during the 1957-58 marketing year, averaging 7.6 cents per pound, 0.5 cents above 1956-57. Domestic demand was strong for the reduced supplies during the past year. Prices in the past two months have averaged slightly below last year and in mid-November were 7.6 cents per pound, 0.5 cent less than a year ago.

The sharp drop in exports during the past year was attributed to higher U. S. prices and lower production, increased production and exports of foreign countries, and a wider use of synthetic detergents by tallow importing countries. Although unimportant singly as exporters, Canada, Mexico, France, Australia, New Zealand, and Argentina all increased their production and exports of tallow and greases.

Table 29.- Tallow, inedible and grease: Supply, disposition and price, by months, crop years 1950-57 1/

Apparent production 2/													
Year begin- ning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1950	217	205	222	233	191	196	200	208	171	156	178	165	2,343
1951	183	192	180	213	195	200	192	188	184	176	184	180	2,268
1952	200	195	213	236	204	229	236	233	225	226	198	222	2,616
1953	218	212	251	230	213	238	205	214	209	220	235	218	2,661
1954	224	234	242	245	221	242	234	230	244	223	253	246	2,839
1955	243	268	265	271	274	276	288	275	262	231	251	242	3,145
1956	259	245	279	267	238	272	239	248	253	234	233	242	3,007
1957 3/	248	241	255	234	200	215	213	229	224	215	214	232	2,720
Stocks, first of month													
1950	279	249	263	283	315	282	251	250	275	299	340	347	
1951	340	334	339	345	353	346	325	311	315	332	346	338	
1952	340	326	348	375	411	406	398	393	394	332	410	389	
1953	363	313	306	300	307	289	293	282	289	274	289	283	
1954	268	250	248	262	275	263	263	254	250	245	259	259	
1955	260	250	277	299	313	330	343	320	318	331	339	319	
1956	306	308	347	353	360	361	297	263	258	259	262	256	
1957 3/	239	248	258	278	277	254	240	241	236	249	252	241	
1958	230												
Exports													
1950	66	35	37	28	48	45	56	45	25	33	41	51	509
1951	50	57	57	57	65	84	66	56	49	59	66	52	720
1952	69	59	67	70	77	94	104	100	103	107	103	118	1,070
1953	118	83	120	89	96	88	86	85	103	113	111	93	1,186
1954	115	102	91	101	103	101	113	95	114	112	122	105	1,265
1955	117	106	106	127	123	122	174	135	118	116	128	121	1,494
1956	109	74	145	115	105	189	133	111	122	122	87	118	1,431
1957 3/	84	95	103	89	98	93	83	107	83	95	85	92	1,107
Domestic disappearance													
1950	181	156	165	173	176	182	145	138	122	84	130	122	1,773
1951	139	130	117	148	136	138	140	127	118	104	126	126	1,550
1952	145	114	118	130	131	143	138	132	125	100	115	130	1,523
1953	151	135	137	133	135	146	129	122	121	92	131	140	1,574
1954	137	135	137	131	131	141	131	139	126	107	130	140	1,584
1955	137	136	137	129	134	140	138	142	131	107	143	133	1,607
1956	147	132	129	145	132	147	139	142	131	110	153	140	1,647
1957 3/	155	136	132	146	126	136	129	128	129	116	140	150	1,623
Price per pound, inedible tallow prime, tanks, Chicago													
1950	12.4	13.5	15.5	17.2	17.8	15.7	14.8	14.7	12.9	9.4	9.0	9.6	13.5
1951	9.1	8.0	7.3	6.6	5.7	5.3	4.7	5.6	6.3	5.7	5.5	5.5	6.3
1952	5.0	4.9	4.7	4.5	3.9	4.4	4.3	3.9	3.6	3.7	3.9	4.5	4.3
1953	4.5	5.6	5.8	6.5	7.4	7.2	6.9	6.8	6.2	5.5	5.9	6.3	6.2
1954	6.7	7.1	7.3	7.8	7.7	6.6	6.7	6.4	6.5	7.1	7.2	7.4	7.0
1955	7.8	7.8	7.5	7.2	6.6	6.6	6.8	6.9	6.3	6.2	6.3	6.7	6.9
1956	6.8	7.0	7.0	6.8	6.8	6.8	6.8	7.0	7.3	7.6	7.8	7.9	7.1
1957	8.0	8.0	7.9	7.6	7.5	7.8	7.4	7.3	7.5	7.6	7.6	7.4	7.6

1/ Totals computed from unrounded data.

2/ Computed production based on reported factory consumption, net foreign trade, and change in stocks. Reported factory production excludes that from small rendering plants.

3/ Preliminary.

Table 3C.--Tallow, edible: Supply and disposition, by months, 1950-57 1/

Year beginning Oct.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Production*													
1950	7	8	8	7	7	6	6	6	4	5	5	5	74
1951	4	7	6	8	10	7	7	9	7	7	9	6	88
1952	8	8	7	10	11	11	12	13	10	9	12	10	122
1953	13	15	11	13	16	14	14	17	15	14	15	12	167
1954	13	15	14	14	15	14	14	20	14	13	16	15	180
1955	14	18	15	19	23	20	21	22	20	18	18	15	225
1956	18	21	22	21	25	21	21	25	21	20	23	21	259
1957 2/	21	24	21	23	24	21	21	25	23	23	27	26	280
1958													
Stocks, first of month													
1950	6	6	6	7	6	6	6	6	6	5	5	4	
1951	4	4	5	6	6	6	6	6	6	6	7	7	
1952	6	5	6	6	7	8	8	8	8	8	7	6	
1953	6	7	9	10	9	8	9	8	8	10	10	7	
1954	7	7	8	10	13	14	15	15	16	15	14	14	
1955	12	11	13	15	15	14	12	12	13	14	16	12	
1956	8	8	12	19	20	20	21	20	20	17	17	17	
1957 2/	15	13	14	20	23	24	21	21	24	24	21	19	
1958	19												
Exports													
1950	3/	1	3/	3/	3/	1	1	3/	3/	3/	3/	3/	5
1951	1	3/	2	3/	3/	1	1	1	1	2	2	1	11
1952	1	1	1	1	3/	1	2	1	1	1	2	3	15
1953	3	1	4	3/	3	3	3/	3/	1	3	2	1	22
1954	3/	3/	3/	3/	1	3/	1	3/	3/	1	1	3/	6
1955	2	1	3/	1	3	3	3	3	2	1	1	1	21
1956	3/	1	1	1	1	1	1	3/	3/	3/	3/	3/	7
1957 2/	1	3/	3/	3/	1	1	1	3/	3/	3/	3/	3/	6
1958													
Domestic disappearance													
1950	7	7	7	8	7	5	5	6	5	5	5	4	71
1951	3	6	4	7	10	6	7	9	6	4	7	7	76
1952	7	7	6	8	10	10	11	12	9	9	10	8	107
1953	9	11	6	14	14	10	15	16	12	12	15	11	136
1954	13	13	12	11	13	14	13	19	15	13	16	17	160
1955	14	15	12	19	20	19	18	18	17	15	22	18	208
1956	18	16	14	19	24	19	21	27	24	20	23	23	247
1957 2/	22	23	15	19	23	24	20	22	23	26	28	26	272
1958													
Price per pound, loose, Chicago													
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
1950	13.1	14.4	16.1	17.9	18.6	17.0	16.3	15.9	14.0	10.8	10.7	11.6	14.7
1951	11.9	10.7	9.5	9.0	8.7	8.1	6.9	7.2	8.2	7.7	7.1	6.6	8.5
1952	6.1	6.1	6.3	6.1	5.5	5.5	5.5	5.3	5.9	6.4	8.2	10.8	6.5
1953	11.0	11.4	9.7	8.0	8.9	10.8	12.3	13.3	10.9	9.1	9.4	10.2	10.4
1954	11.6	12.2	11.1	9.6	9.6	8.8	8.5	8.5	8.5	8.8	8.6	8.6	9.5
1955	9.5	9.6	8.9	8.4	8.5	8.9	10.0	10.6	9.6	9.2	9.3	10.3	9.4
1956	12.3	12.9	13.3	13.1	12.4	12.1	11.8	10.8	11.6	12.1	12.3	11.7	12.2
1957 2/	11.7	11.7	11.5	10.7	10.9	11.7	11.8	11.5	11.3	11.2	11.7	10.8	11.4
1958													

1/ Totals computed from unrounded data.

2/ Preliminary.

3/ Less than 500,000 pounds.

*Reported production of edible tallow 1950-54 minus other pressing; beginning 1955 minus other processing.

Tallow and Grease

Output Expected to
Rise Slightly in 1958-59;
Prices Probably Will Average Lower

Output of inedible tallow and greases in 1958-59 is currently forecast at 2,800 million pounds, about 3 percent above the previous year. The rise would reflect mainly a prospective 9 percent increase in hog slaughter, as cattle slaughter is expected to continue at about the 1957-58 rate.

Current prospects indicate inedible tallow prices in 1958-59 probably will average a little lower than last year. The strength of export demand will be an important price-making factor as little change is expected for domestic disappearance. Tallow is not currently being offered for shipment under P.L. 480.

TUNG OIL OUTLOOK

Tung Oil Output

In 1958-59 Up Sharply;
Prospective Supplies Equal
Two Years' Requirements

The 1958 tung oil crop, which is just beginning to move to market in volume, is estimated by the trade at 40 million pounds, 14 million above a year ago and the biggest crop since 1953. The first official estimate of the crop will be released on December 17. The tung orchards did not suffer from early spring freezes this year as in recent years.

Carryover stocks of tung oil on November 1, 1958, the beginning of the 1958-59 tung marketing year, are estimated at 30 million pounds, about 5 million above a year ago. However, about 27 million pounds were in the hands of CCC compared with 15 million last year. The availability of up to 6.5 million pounds of imports on November 1, 1958 enabled commercial carryover to be at a record low of 3 million pounds.

Imports of tung oil are restricted by Presidential proclamation to 26 million pounds during the 1958-59 marketing year. Most of our imports of tung oil come from Argentina and Paraguay. Current indications are that the full quota for the year will be imported because of heavy supplies in these countries. U. S. imports from Red China, the major world producer, are embargoed.

If the estimates of 1958 production and carryover stocks on November 1 are correct and if the full quota of 26 million pounds of tung oil is imported, total domestic supplies in 1958-59 would be around 96 million pounds, roughly 21 million more than in 1957-58. This would be enough tung oil to satisfy domestic requirements for two years at current consumption levels (table 32).

Domestic Use of Tung Oil in
1958-59 May be Up Slightly;
Oil Prices Will Average Near Support

Domestic use of tung oil in 1958-59 is forecast at 50 million pounds, about 5 million above the 1957-58 estimated level, but about average for recent years. The demand for tung oil in the 1957-58 marketing year just ended lagged along with the general decline in industrial activity. However, the index of industrial production has advanced in recent months and a further expansion is in prospect for the coming year. It is expected that the demand for tung oil will increase along with a general pickup in demand for drying oils from the protective-coating industry.

Domestic prices of tung oil (Southern mills) during the 1957-58 marketing year were relatively stable near the support level of 20.5 cents per pound. Imported tung oil prices averaged slightly less than the support equivalent of domestic oil on the New York market and this encouraged the consumption of foreign oil. The support equivalent in New York is about 1-1/4 cents per pound above the support price at Southern mills because of transportation costs.

Current prospects indicate tung oil prices (Southern mills) to producers in the 1958-59 marketing year will average near the support level of 21.0 cents per pound, which is 0.5 cents above last year. Large carryover stocks, along with imports and the bumper 1958 crop, will keep prices from rising above the loan level during the marketing year.

1958-59 Tung Support
Prices Slightly Higher

It was announced on November 6, 1958, that the 1958 tung nut crop is to be supported at \$53.89 per ton (65 percent of parity), basis 18.5 percent oil content. The equivalent price for tung oil is 21.0 cents per pound. Support in 1957-58 was \$52.13 per ton for the nuts and 20.5 cents per pound for tung oil, equivalent to 65 percent of parity. The 1958 support program will be implemented through purchase agreements on tung nuts and purchase agreements and loans on tung oil.

Farm prices of tung nuts during the harvesting season which is just starting are expected to average near the support price.

Argentine Output of Tung
Oil Down Sharply in 1958-59
But Supplies are Heavy

Argentine output of tung oil for the 1958-59 marketing year is preliminarily estimated at 30 million pounds, down 18 million pounds or about 38 percent from a year earlier. Production of tung oil in Paraguay in 1958-59 is estimated at 11 million pounds, very close to the level of output last season.

Table 31.--Tung nuts: Supply, disposition and price, 1939-57

Year beginning November	Supply			Disposition		Price		Oil yield per ton crushed
	Pro- duction	Imports	Total	Crushings	Residual	Season average	Support	
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Dol.	Dol.	
1939	1.2	---	1.2	(1.2)	---	42.20		
1940	11.0	---	11.0	(11.0)	---	60.00		
1941	8.7	---	8.7	(8.7)	---	88.30		
1942	16.4	---	16.4	16.4	---	91.80		316
1943	6.2	---	6.2	5.5	.7	99.00		341
1944	26.7	---	26.7	27.3	-.6	102.00	100.00	321
1945	37.1	---	37.1	27.5	9.6	98.90	101.25	332
1946	57.4	---	57.4	45.1	12.3	96.90	---	319
1947	53.2	---	53.2	50.6	2.6	64.90	72.00	316
1948	58.5	2.7	61.2	50.3	10.9	49.10	---	339
1949	87.9	.3	88.2	83.1	5.1	63.70	60.00	322
1950	36.5	---	36.5	35.8	.7	111.00	63.00	343
1951	49.1	.1	49.2	48.5	.7	106.00	67.20	303
1952	132.1	.5	132.6	129.5	3.1	79.80	67.20	335
1953	120.0	---	120.0	112.6	7.4	66.80	63.38	352
1954	51.0	---	51.0	46.6	4.4	59.40	54.96	325
1955	6.2	.5	6.7	1/	---	64.00	51.06	---
1956	103.5	---	103.5	100.2	3.3	53.40	53.76	319
1957 2/	82.6	---	82.6	79.9	2.7	52.30	52.13	319
1958							53.89	

1/ Negligible. 2/ Preliminary.

Table 32.--Tung oil: Supply, disposition and price, 1935-58 1/

Year beginning November	Supply				Disposition		Price			Oil acquired by CCC
	Begin- ning stocks	Pro- duction	Imports	Total	Exports 2/	Domestic disap- pearance	Drums, N.Y. (im- ported)	Tanks, f.o.b. mills 3/	Support	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.	Ct.	Ct.	Mil. lb.
Average 1935-39	37.9	.6	123.2	161.7	5.7	118.1	18.2			
1942	31.4	5.2	4/	36.7	1.8	5/11.5	39.0			
1943	28.7	1.9	1.8	32.3	.7	5/10.5	39.0			
1944	22.8	8.8	.3	31.9	2.5	21.7	39.2		36.0	---
1945	7.7	9.1	24.5	41.3	.9	33.2	39.2		6/36.0	---
1946	7.2	14.4	103.4	125.0	6.0	87.1	32.4		---	---
1947	31.9	16.0	140.4	188.4	10.4	130.4	25.2		25.0	7.8
1948	47.6	17.0	72.4	137.0	10.9	107.7	23.4		---	---
1949	18.5	26.8	105.9	151.1	8.2	112.5	26.5	25.1	24.1	1.6
1950	30.5	12.3	48.2	91.0	6.4	5/72.4	38.2	36.7	25.1	---
1951	16.0	14.7	30.4	61.2	1.3	51.2	40.8	39.1	26.5	---
1952	8.7	43.4	13.0	65.1	.3	49.6	31.3	28.6	26.5	5.8
1953	15.1	39.6	41.5	96.3	.3	49.3	24.3	23.8	23.9	32.8
1954	46.7	15.2	25.2	87.1	3.6	51.2	25.1	23.3	21.2	4/
1955	32.4	2.0	31.4	65.8	1.4	51.4	26.2	24.4	20.0	---
1956 7/	13.0	32.0	31.5	76.5	1.3	50.4	24.7	22.7	21.0	15
1957 8/	24.8	25.5	24.4	74.7	.4	45	23.2	21.4	20.5	12
1958 9/	30	40	26	96		50			21.0	

1/ Data by crop year not available until 1942-43. 1935-39 calendar year average. 2/ Includes reexports.
 3/ Not available before April 1949. 4/ Less than 50,000 pounds. 5/ Factory consumption figures used for
 years in which reported factory consumption exceeds domestic disappearance. 6/ Processor had to agree
 to buy back oil at 37 cents a pound or else CCC would purchase oil only at 30 cents a pound. 7/ Prelimi-
 nary. 8/ Partly estimated. 9/ Forecast.

The combined production of Argentina and Paraguay, with increased carryovers from 1957-58, is more than adequate to cover export requirements for the United States import quota of almost 25 million pounds and for the consuming areas of Europe and other non-U. S. destinations, which received about 28 million pounds from Argentina and Paraguay in 1957-58.

CASTORBEAN OUTLOOK

Domestic Castorbean Output in 1958 Increases Three-fold

The 1958 domestic castorbean crop, based on trade estimates, probably will total around 60 million pounds, up sharply from the 20 million produced last year. A crop this size if all crushed should yield around 27 million pounds of castor oil or about one-fifth of domestic requirements.

Producers in 1958 are expected to harvest over 28,000 acres in California, Arizona, New Mexico, Texas, Kansas, Oklahoma, Arkansas, Tennessee, Mississippi, and Delaware. Farmers in 1957 harvested an estimated 12,000 acres. Practically all of the beans are grown under irrigation, with California accounting for nearly two-thirds of the U. S. output. The sharp increase mainly reflects the availability of acceptable harvesters along with improved varieties of castorseed. The average yield per acre in 1958 is placed at 2,075 pounds compared with 1,680 a year earlier.

Domestic disappearance of castor oil in recent years has averaged around 135 million pounds, practically all from imported beans and oil (table 34). If this disappearance rate continues in 1958-59, around 108 million pounds of castor oil or beans will need to be supplied from foreign sources. The United States is the major importer of castor beans and oil, taking over 50 percent of the total world trade in 1957. Brazil and India are the two major producers and account for two-thirds of the total world trade in beans and oil.

Imported Castorbean Prices In 1958 Drop Sharply; World Output Rises

Castorbean prices (f.o.b. Brazilian ports) averaged nearly \$114 per long ton during the 1957-58 marketing year, about \$60 per ton less than a year earlier. Prices during 1957-58 moved downward from \$147 per long ton in October 1957 to \$98 in May 1958, the last month for which a price was quoted. This was the lowest price level for castorbeans in over a decade. The sharp drop in castorbean prices reflected primarily increased world availabilities during the 1957-58 season due mainly to the 20 percent increase in the 1957 Brazilian crop.

Table 33.--Castor beans: World production, exports, U. S. imports and prices, 1947-57

Year	World			U. S. imports			Price per ton of beans at Brazilian ports
	Production		Exports	Beans	Bean equivalent of oil <u>2/</u>	Total	
	Total	Excluding U. S.	Beans and oil in terms of beans				
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	Dollars
1947	464	464	272	138	7	145	216.10
1948	547	547	256	151	3	154	147.16
1949	504	504	184	145	11	156	108.30
1950	541	541	289	132	52	184	141.43
1951	521	510	267	75	99	174	260.02
1952	511	499	289	70	124	194	196.38
1953	518	492	302	57	141	198	145.60
1954	497	492	260	55	63	118	102.95
1955	486	485	327	44	106	150	114.09
1956	484	481	265	21	99	120	153.02
1957 <u>1/</u>	546	536	335	17	135	152	164.45
1958 <u>3/</u>	513	483	278				

1/ Preliminary.2/ Assuming 45 percent oil content.3/ Forecast.

Table 34.--Castor oil: Supply, disposition and price, U. S., 1957-58

Year	Supply					Disposition			Price, No. 1 1/ Ct.
	Production from		Imports	Stocks Jan. 1	Total	Exports	Computed disap- pearance	Factory consump- tion	
	Estimated domestic material	Imported material							
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
1947		117	7	19	143	4	116	91	29.1
1948		136	2	24	162	2	128	107	22.7
1949		128	11	32	171	3	130	87	18.1
1950		128	47	38	213	2	181	120	20.4
1951	5	74	89	30	198	1	174	108	33.6
1952	8	66	112	23	209	1	182	81	28.9
1953	10	56	127	26	219	1	169	85	22.6
1954	7	55	57	50	169	1	138	79	17.2
1955	1	49	95	30	175	1	136	100	15.9
1956	3	23	89	39	154	3	121	93	19.2
1957 2/	9	16	121	28	174	3	138	95	23.1
1958 2/	3/25			33					

1/ Tanks, f.o.b. New Jersey mills.2/ Preliminary.3/ Forecast.

Totals computed from unrounded numbers.

Production of castorbeans outside the U. S. during 1952-56 remained relatively stable, ranging from 499,000 short tons in 1952 to 481,000 in 1956. Output in 1957 rose sharply to 536,000 short tons, and is estimated at about 483,000 for 1958 (table 33). The decrease in 1958 is due largely to drought in Brazil and India, the two major producers which together account for about 60-65 percent of world output. China-Manchuria and Thailand are the next largest producers.

APPENDIX

The following statements, usually presented at the Agricultural Outlook Conference, are included here because of general interest in them.

HOW WILL THE MEAT-TYPE HOG AFFECT LARD PRODUCTION?

By W. Herbert Brown
Agricultural Research Service

Since the mid-1920's, when the vegetable oils began a spectacular rise in public favor, there has been considerable interest in a meat-type hog. Until very recently, progress toward the meat-type hog has been slow. Lack of suitable grades and little or no price differential between lean and fat hogs were the main factors responsible for slow progress. Official standards adopted in 1952 and revised in 1955 were designed to identify differences between live hogs that would reflect differences in their yields of lean cuts and fat cuts.

In 1956, the proportion of meat type hogs (U. S. Number One) going to market was estimated to be from 15 to 17 percent. This proportion is believed to be higher now.

State agricultural experiment stations and private breeders, as well as USDA, have been working for years to improve purebred hogs and develop superior cross breeds for efficient production of pork. Recently, the Agricultural Research Center at Beltsville reported considerable progress in changing the lean to fat ratio in hog carcasses through selective breeding.

In three generations of selection in Duroc hogs, selection for low fat decreased backfat thickness by 11 percent, while selection for high fat increased backfat thickness by 14 percent ¹/₁. The average difference in backfat thickness

¹/₁ Agricultural Research, September 1958.

between the lean and fat-line Durocs was 0.04 inches in the first generation, 0.19 in the second, and 0.37 in the third. Average backfat thickness in the foundation stock was 1.49 inches. This increased to 1.70 inches in the third-generation fat-line Durocs and decreased to about 1.33 inches in the third-generation lean-line Durocs. Production of lard from fatback, lean-fat, and fat trimmings was estimated at 24 pounds for a 210 pound hog of the foundation stock; 19 pounds for the third generation lean-line hogs, and 27.5 pounds for the fat-line animals. Animals chosen with significantly less backfat than herd average transmitted about 41 percent of that advantage to their offspring. But animals chosen with more backfat than herd average transmitted about 57 percent of that disadvantage. These studies will be continued as long as selection is effective in changing the lean to fat ratio.

Raising more meat-type hogs will become imperative in the future. In 1957-58, when prices of hogs were rising, there was little discount for fat hogs and therefore little incentive to produce lean ones. Production of hogs is now increasing. As feed is plentiful and low in cost, the tendency will be to turn out heavy hogs, those covered with fat. Neither fat pork nor lard is likely to find a ready market. The pressure to shift to a meatier type of hog will become stronger.

:
: The issue dates for The Fats and Oils Situation :
:
: are January, March, May, August, September and :
:
: November (Outlook number). The next issue is :
:- :
: scheduled for release late in January. :
:

CURRENT RESEARCH IN PRODUCTION OF CROPS AND LIVESTOCK RELATED TO
FATS AND OILS CARRIED ON BY THE AGRICULTURAL RESEARCH SERVICE

Objective Methods for Estimating the Composition of Live Meat Animals (Hogs)

Meat Characteristics of Carcasses Developed Through Breeding for High and
Low Degrees of Fatness

Meat Characteristics of Carcasses of Hogs Developed by Reciprocal Selection
Breeding Methods

In addition there are 10 general projects on improving swine through breeding.

Cleaning and Drying Cottonseed Concurrently with Ginning

Effect of Insects on Quality of Cotton and Seed

Seed Cotton Handling and Storage

Breeding Flax Varieties Resistant to Disease and Cold

Breeding and Evaluation of Disease Resistant Flax Varieties Adapted to the
North Central States Aster Yellows and Other Virus

Disease of Flax, Epiphytology, Varietal Resistance and Methods of Control

Effect of Cultural Practices on Flaxseed Yield

Methods of Farm Curing and Drying Mechanically Harvested Virginia Type Peanuts

Development and Improvement of Production and Cultural Machinery for Bunch and
Runner Peanuts Grown in the Virginia-Carolina Areas

Development and Improvement of Peanut Harvesting and Field Handling Equipment

Nature and Control of Diseases of Peanuts, Chiefly of Fungus Origin

Improved Cultural and Related Practices in Production of Peanuts

Peanut Breeding and Selection

In addition to the above projects there are 10 projects on tung nuts pertaining to breeding disease control, cultural practices, harvesting and storage. Other projects are being conducted on cultural practices and disease control of safflower, breeding and harvesting of sesame and cultural practices, disease control and harvesting of castor beans.

CURRENT RESEARCH IN UTILIZATION OF FATS,
OILS, AND OILSEEDS CARRIED ON BY THE
AGRICULTURAL RESEARCH SERVICE 1/

Southern Utilization Research
And Development Division

Oilseed research at the SURDD is aimed at the development of new and improved food, feed, and industrial products from cottonseed, peanut, rice, tung, and other oilseeds and the evaluation of the potential of jojoba (*Simmondsia*) and screening of wax bearing plants for their utility as replacement crops.

Research will be continued on the development of confectionery fats; the evaluation of acetoglycerides; the preparation of edible polymeric fats ranging from hard waxes to liquids that will not crystallize at low temperatures; a basic investigation of hydrogenation of oils to plastic fats; the preparation of fat emulsions suitable for use in intravenous feeding; and study of biological and chemical methods for estimating the usefulness of modified fat products in foods.

Improvement in quality of cottonseed oil is being sought through research on methods of measuring the coloring substances in refined and in refined and bleached oils and on means of removal of coloring substances through use of chemical agents in connection with alkali refining. The use of high rates of shear during the caustic refining of the crude oils improves the color of fully processed cottonseed oil.

Improved cottonseed meals produced by processing techniques based on the research of the SURDD and cooperating groups, are being used in considerable quantities in broiler rations. Means of further reducing both free and total gossypol while retaining the availability of essential amino acids is required to produce meals generally satisfactory for laying hens and swine rations.

Research on increased nonfood uses of vegetable oils is directed to the development of new and improved products that serve essential and useful purposes. Morpholides of selectively hydrogenated cottonseed oil have been made and appear to be excellent plasticizers for certain vinyl plastics. New derivatives and products have been prepared from tung oil. Some of them should find extensive use in plastics and protective coatings.

Exhaustive solvent extraction of cottonseed has demonstrated that increase in the degree of extraction of both raw and tempered flaked meals results in an appreciable increase in the presence of non-oil components which adversely affect the quality of crude cottonseed oil. The increase in the non-oil components was negligible in the case of moist cooked cottonseed flakes.

1/ Statements prepared by Southern, Northern and Western Utilization Research and Development Divisions, Agricultural Research Service.

Data obtained on the influence of methods of processing seed and oil on the composition of acidulated cottonseed soapstocks have proven useful in considering standards for the use of such soapstocks in feeds. It has been demonstrated that a reduction of 93 percent in the free gossypol in acidulated cottonseed soapstocks can be accomplished by heating them with an equal weight of meal.

A new accessory unit to clean cottonseed utilizes a moving rubber-surfaced belt. This unit removes the shale and stems, about 40 percent of the boll wall particles, but so far has been ineffective in removing the boll bases. It appears to be a means of improving the quality of cottonseed oil, meal and linters.

Utilization Outlook--The surplus of domestic edible fats and oils emphasizes the urgency of developing markets for vegetable oils which are not competitive with present food uses. The growing knowledge of the chemistry and technology of fats and oils gives confidence that such markets may be arising through the development of new industrial products from vegetable oils such as plastics, plasticizers, surfactants, synthetic resins, protective coating, and biologically active materials.

These markets could easily absorb over a billion pounds of fat and oil products annually, particularly when consideration is given to the demand resulting through the increase in population.

Increased attention will be given to the development of new type improved edible fat products; the production of meals suitable for feeding to laying hens and swine; the improvement of cottonseed oil color and quality; improving protective coating and other products from tung oil; the improvement in the quality of peanuts and peanut products; and the development of processes to obtain these products.

Northern Utilization Research And Development Division

Investigations on vinyl ethers and their polymers derived from soybean and linseed oils were expanded into a coordinated team effort of chemists, engineers, and evaluation groups in January 1958. Progress toward industrial use of these new coatings continues to be encouraging. Advances have been made in preparing the vinyl ethers and their polymers which are now being made in pilot-plant quantities; new copolymers have been prepared by polymerizing the oil vinyl ethers with non-oil vinyl ethers for evaluation studies. These copolymers exhibit a variety of properties, such as converting at temperatures up to 420° F. to give hard to flexible films. Research now emphasizes methods of curing the films by cross-linking reactions and by the proper addition of driers to achieve practical requirements.

Adducts of esters of conjugated soybean and safflower oils with acrylic and maleic esters have been shown to have potential value as plasticizers. Progress has been made toward developing a one-step reaction process for preparing these adducts. Although yields have been increased during the past year, a more efficient process is requisite to commercial use.

A simple process has been discovered for converting the linolenic acid in linseed oil to cyclic compounds. This potential source of new products is receiving further study.

Soybean oil continues to maintain its position as a major source of edible fat in this country. However, only small amounts of liquid soybean oil are marketed directly to the consumer. About one-half billion pounds are marketed as salad oil. Stabilization of soybean oil for use as an edible cooking oil remains a major research objective. Recent research has provided new information which emphasizes the need for protecting the oil against autoxidation prior to deodorization as well as afterwards.

A new tool for studying the chemistry of fats and oils is being developed through the use of the radioactive isotope of hydrogen (tritium). Labelled oils and fatty acids are now available for studying the mechanism of autoxidation, hydrogenation, and organic reactions. The manifold increase in sensitivity of this analytical procedure will permit a new approach in studying the reactions of oils for both food and industrial uses.

Soybean oil meal serves as the primary protein concentrate for the nation's feed industry. Fundamental and compositional research on the proteins and minor constituents have provided information useful to utilization. Recently completed studies have shown that the toxic factor of trichloroethylene-extracted soybean oil meal is S-(dichlorovinyl)-L-cysteine resulting from the reaction of trichloroethylene with the sulfhydryl group in the protein, and that the alleged "antithiamin" factor of soybean oil meal is an analytical artifact peculiar to the analytical methods used by previous investigators to assay for thiamin.

Cooperative studies are underway in which two visiting Japanese scientists are jointly working with our people to improve the acceptability of American soybeans for making Japanese food products.

Western Utilization Research And Development Division

Castor beans have recently been assigned to the Western Division and efforts have been directed to development of over-all plans for research. Most of the work will be directed to a chemical study of the oil and its constituent components and to the preparation of derivatives and adducts of the oil and its components. The resulting products will be evaluated chemically and physically for their technological usefulness as chemical intermediate or end products as insulation and sound absorbents for use in building trades, modifiers and adjuvants for packaging materials, extenders and drying agents for paints and other surface coatings, ore flotation agents, foam breakers, fungicides, weed killers, high pressure lubricants, and corrosion inhibitors.

Research will also be carried out on the isolation and identification of the allergenic components in castor bean meal which constitute a hazard in industrial use. When the identity and chemical nature of the allergenic compounds is known, means for their elimination or inactivation will be sought.

CURRENT RESEARCH IN MARKETING FATS, OILS AND OILSEEDS BEING CONDUCTED
IN MARKETING RESEARCH DIVISION, AMS 1/

The following projects were listed in this Situation report a year ago. Work under these line projects is still in progress.

Economic Significance of Different Methods of Grading and Marketing
Soybeans

Aerating, Drying, and Handling of Soybeans and Farmers Stock Peanuts
in Commercial Storages

Marketing Significance of Changes in Farmers Stock Peanuts in Storage

Economic Analysis of Improved Methods and Practices for Handling
Farmers Stock Peanuts

Flaxseed Storage Practices Relating to Deterioration and Costs

Storage of Vegetable Fats and Oils in Relation to Costs

Marketing Margins for Fats and Oils

Marketing Practices Affecting Procurement and Use of Vegetable Oils

Methods and Equipment for Grading Farmers Stock Peanuts

Methods for Measuring Moisture Content in Grains and Oilseeds

Simple Fat Acidity Test

Protection of Farmers Stock Peanuts from Insect Attack

Market Potentials for Fats and Oils in Synthetic Lubricants

Effect of Coupons and "Special Offers" on Sales of Food Fats and Oils at Retail

Marketing Organization and Practices for Mellorine

1/ Statement prepared by Marketing Research Division, AMS.

Brief descriptions of line projects initiated during the past year are given below.

Unexplained Losses in Screw-Press Processing of Cottonseed. At present screw-press processing accounts for approximately 48 percent of the cottonseed crushed. Many operators of screw-press mills with standard equipment have increased the speed of the main shaft and added extension cages to the press barrel to increase capacity and lower the unit cost. However, one effect resulting from these modifications has been that unexplained oil losses have occurred in many of those mills. The study is being directed at determining the economic effects of modifying screw-press cottonseed oil mill facilities on: (1) Additional investment in machinery and equipment, (2) operating cost per ton, (3) oil extraction efficiency, (4) quality of outturn products, and (5) to determine the causes and economic effect of any hidden oil losses.

New and Expanded Market Outlets for Inedible Fats in Feeds. The first phase of the study indicates that the use of fats and oils in prepared animal feeds in the United States more than doubled from 1954 to 1956. In 1956 the mixed feed industry used about 324 million pounds of fats and oils, of which 300 million pounds were tallow and grease. About 28.8 million tons of prepared animal feeds were produced in 1956. Plants adding fats to feeds produced almost three-fourths of this total, and fats added represented about 0.8 percent of the total weight of all prepared animal feeds these plants manufactured in 1956. The published report also indicates the quantity of various fats and oils used in feeds by regions and by size of mill.

A second phase of this project, to study on a national basis factors affecting use of fats in various types of mixed feeds, is now underway. The report should be published during the fall of 1959.

Effects of Usage of Inorganic Nitrogen Source Compounds in Mixed Feeds on Market Potential for Oilseed Meals. Urea manufacturers visited in connection with this study indicated that the recent industry estimates that urea usage for livestock feeds is now about 90 thousand tons annually is fairly accurate, and that for the future they do not view feed use as having a growth potential equal to fertilizer uses and they will have to depend upon fertilizer outlets if new and expanded production capacity is economically utilized. However, the manufacturers do expect new developments in urea feeding applications that may substantially increase the volume consumed in feeds and in grass silage. Plans call for completion of the study and publication of the report by late fall of 1959.

Market Potentials for Fats and Oils in Plasticizers. In the chemicals market for fats and oils, studies are being carried out in cooperation with Utilization Research Divisions of ARS on the market potentials for fat-and oil-based materials as plasticizers for thermoplastic resins, primarily vinyl, cellulosic and rubber polymers. Interest by plastics industry in fatty acids and esters is associated with special properties achieved in the final plastic through their use. There is potential for growth of fats and oils derivatives, particularly the epoxidized triglycerides, fatty acid esters and dibasic acid esters. Expanded market uses are possible also for internal copolymerization-type esters, such as vinyl stearate, that become

integrated chemically with the resin polymer. Exploiting its unique properties through discovery of new and/or specific end uses and products wherein this internal plasticization makes the plastic functionally applicable appears to be the key to expanded usage. Expoxidized fat-based plasticizers are expected to reach 25 million pounds per year consumption, largely through their desirable properties with polyvinyl chloride type resins.

Survey data and analysis of market potentials will be published in 1959.

Controlled Retail Merchandising Experiments (Mayonnaise and Salad Dressing). One of the purposes of this research, conducted in Boston, Massachusetts, is to determine optimum shelf arrangement to maximize sales of mayonnaise and salad dressing. Preliminary findings of the mayonnaise and salad dressing experiment indicate that consumers tend to purchase more of these products where the items are displayed vertically on the lower 4 shelves of a 5-shelf gondola than when displayed on all 5 shelves. The increase in sales is more pronounced when all sizes of each brand are displayed together than when all quarts, all pints, and all half pints of the various brands are displayed together. The report is being planned for publication during the early part of 1959.

Soybean Processing and Marketing Costs. The wide variation in soybean oil mill processing costs, as reported for the 1951-52 and 1952-53 seasons, together with increased costs in certain items such as labor and power, indicates the need for up-to-date detailed analysis of costs, operating practices, and methods in order to make information available which will aid the industry to reduce costs, and make more efficient the handling, processing, and marketing of soybeans and their products. Research pertaining to such an analysis of costs of processing and marketing soybeans and their products is underway. A complete analysis of all pertinent data available will be made and a final report prepared by the latter part of 1959.

Objective Crop Measurement for Estimating Peanut Yields. In 1957, various counts of the characteristics of the peanut plant believed to be associated with its fruit potential were made on about 50 fields of peanuts in Northampton County, North Carolina, around August 1 and September 1. In addition, later measurements were made to determine losses during digging, stacking, and threshing operations and to determine weight and moisture content after threshing. The work is being continued on the 1958 crop. Counts will be made in only about 15 fields but at more frequent intervals. Observations of fruiting and growth characteristics started about the middle of July and will extend until harvest time. In the early season, observations will be recorded weekly but will become less frequent as maturity approaches.

Marketing Research Reports Pertaining to Oilseeds and Fats and Oils
Released During the Past Year

- "Pricing Soybeans--An Economic Appraisal of Alternative Methods (Preliminary Report)," USDA, AMS-229. February 1958.
- "Peanuts Lose Weight in Storage," by J. H. Yeager and H. S. Ward, Alabama Agricultural Experiment Station, Auburn, Ala., Highlights of Agricultural Research 5 (3). Fall 1958.
- "Production and Marketing Practices for Mellorine," USDA, Marketing Research Report No. 212. February 1958.
- "Changes in Castorbeans During Five Years of Storage," USDA, Marketing Research Report No. 264. August 1958.
- "Cutting Costs for Tung Fruit," by Lewis A. Baumann, USDA, Agricultural Marketing. August 1958.
- "Trends in Cost of Processing and Marketing Oilseed Products," by C. B. Gilliland. Mimeographed statement presented at Fourth Annual Joint Conference of Cooperative Cottonseed Oil Mills and Cooperative Soybean Oil Mills, Mason City, Iowa. March 3, 1958. Also published in Soybean Digest 18 (7): 6-7. May 1958.
- "Evaluating Refined Cottonseed Oils in Storage," by Lewis A. Baumann. Mimeographed statement presented at American Oil Chemists' Society meeting, Memphis, Tennessee. April 21-23, 1958.
- "Marketing Margins, Practices, and Costs for Soybean and Cottonseed Oils," USDA, Marketing Research Report No. 231. May 1958.
- "Homemakers' Use of and Opinions about Peanuts and Tree Nuts," USDA, Marketing Research Report No. 203. November 1957.
- "Rendering Inedible Animal Fats; Analysis of Practices in Pennsylvania and Minnesota," USDA, Marketing Research Report No. 283. November 1958.

Foreign Market Development and
Trade Promotion Activities 1/

Public Law 480 provides for the use of foreign currencies derived from the sale of agricultural commodities under such Act to help develop new markets for U. S. agricultural commodities. In this connection, the Foreign Agricultural Service has developed a policy in working with appropriate trade groups to assist in the development of new markets. Translating this to

1/ Statement prepared by Fats and Oils Division, FAS.

oilseeds - specifically soybeans - FAS has entered into an agreement with the American Soybean Association with respect to trade promotional activities for U. S. soybeans and products thereof in Japan; and with the Soybean Council of America, Inc. for similar activities in Italy and Spain. Under these projects FAS contributes foreign currencies, and the American Soybean Association and the Soybean Council of America, Inc. contribute substantial dollar amounts. Adding to the effectiveness of these projects are third party agreements entered into with industry people in the countries of operation.

Under the above-named projects, a wide range of promotional activity is provided, such as:

1. Participation in trade fairs
2. Feed and food demonstrations
3. Public relations and informational programs
4. Conducting seminars, forums, conferences and the like all designed to emphasize the merits of U. S. soybeans as beans, meal, cake and soybean oil.
5. Providing technicians to assist local industry in technical problems involving soybean meal and oil
6. Providing mobile kitchens to show the importance of soya protein in the human diet.

In addition to these projects, which are now in their second year of operation, a technical assistance program is underway in four South American countries. A combined industry - FAS team has just completed a survey of the Caribbean area and another similar group is presently engaged in a soybean and soybean products market potential survey in Southeast Asia. In the late winter of 1958-59, other similar surveys and promotional projects of additional free-world areas are expected to be made.

Table 35.--High-protein feeds: Quantity fed per animal unit, United States, average 1950-54, annual 1953-58

Item	Unit	Year beginning October						
		Average						
		1950-54	1953	1954	1955	1956	1957 1/	1958 2/
Total protein feed (soybean meal equivalent) 3/	1,000 tons	11,482	11,622	11,639	12,622	13,257	13,855	14,450
Protein-consuming animal units 4/	Million	101.0	100.2	101.5	104.2	102.8	102.8	107.0
Quantity per animal unit	Pounds	227	232	229	242	258	270	270

1/ Preliminary. 2/ Preliminary estimates based on indications in October. 3/ In terms of soybean meal equivalent (44 percent protein content). 4/ High-protein feed-consuming livestock. Based on animal units of grain-consuming livestock, excluding horses and mules, adjusted for importance of high-protein feeds in total concentrates fed.

The conversion factors for computing soybean meal equivalent and protein-consuming animal units, are given in the Grain and Feed Statistics March, 1958.

Table 36.--Oilseed cakes and meals: Supply and distribution, United States, year beginning October, 1956-58

Oilseed cake and meal	Supply				Distribution			
	Stocks (Oct. 1)	Pro- duction	Imports	Total	Feed	Other uses 2/	Exports	Stocks (Sept. 30)
	1/ 1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
1956-57								
Soybean	111	7,509	3/	7,620	7,092	29	443	55
Cottonseed	141	2,289	55	2,485	2,216	30	30	209
Linseed	12	576	3	591	484	---	43	64
Peanut	2	63	---	65	47	---	15	3
Copra	1	113	67	181	180	---	0	1
Total	267	10,550	125	10,942	10,019	59	531	332
1957-58 4/								
Soybean	55	8,284	1	8,340	7,962	30	300	48
Cottonseed	209	1,919	40	2,168	2,060	30	7	71
Linseed	64	435	8	507	473	---	8	26
Peanut	3	48	---	51	47	---	2	2
Copra	1	119	71	191	190	---	---	1
Total	332	10,805	120	11,257	10,732	60	317	148
1958-59 5/								
Soybean	48	8,800	---	8,848	8,400			
Cottonseed	71	2,200	50	2,321	2,150			
Linseed	26	475	5	506	475			
Peanut	2	100	---	102	85			
Copra	1	120	70	191	190			
Total	148	11,695	125	11,968	11,300			

1/ Stocks at processors' plants. 2/ Estimated quantities of soybean meal used for industrial purposes and cottonseed meal used for fertilizer on farms of cotton growers. 3/ Less than 500 tons. 4/ Preliminary. 5/ Forecast except for stocks on October 1, 1958.

Table 37.- Price support operations for oilseeds, 1949-58*

Item	Unit	Crop year 1/									
		1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
Soybeans:											
Support price	Dol.	2.11	2.06	2.45	2.56	2.56	2.22	2.04	2.15	2.09	2.09
Support price percentage of parity:	Pct.	90	80	90	90	90	80	70	75	70	70
Price received by farmers per bushels	Dol.	2.16	2.47	2.73	2.72	2.73	2.46	2.22	2.18	3/2.08	
Production	Mill. bu.	234.2	299.2	283.8	298.8	269.2	341.1	373.5	449.4	479.8	3/575.0
Placed under loan or purchased under support program:											
Quantity	Mill. bu.	16.1	15.0	11.1	14.1	31.8	41.1	27.5	65.6	90.6	
Percentage of crop	Pct.	6.9	5.0	3.9	4.7	11.8	12.1	7.4	14.6	18.9	
Acquired by CCC	Mill. bu.	2/	2/	2/	3.9	2/	15.5	2/	24.5	43.6	
CCC carryout stocks, Sept. 30	Mill. bu.	2/	2/	2/	2.0	2/	6.6	2/	2.0	14.0	
Cottonseed:											
Support price:											
Basis grade 100 --											
Loan	Dol.	50.65	51.00	65.50	66.40	54.50	54.00	46.00	48.00	46.00	45.00
Purchase	Dol.	46.50	47.00	61.50	62.40	50.50	50.00	42.00	44.00	42.00	41.00
Percentage of parity	Pct.	90	73	90	90	75	75	65	70	65	65
Price received by farmers per ton	Dol.	43.40	86.60	69.30	69.60	52.70	60.30	44.60	53.40	51.10	
Production	1,000 tons	6,559	4,105	6,286	6,190	6,748	5,709	6,043	5,407	4,609	3/4,864
Placed under loan or purchased under support program:											
As seed	1,000 tons	811.5	---	.5	.4	1.4	.1	---	---	---	---
As oil, crude basis	Mill. lb.	51.1	---	136.2	875.0	384.1	227.3	---	---	---	---
Percentage of crop 4/	Pct.	14.8	---	6.8	43.1	17.2	12.0	---	---	---	---
Acquired by CCC:											
As seed	1,000 tons	803.6	---	.1	---	---	---	---	---	---	---
As oil, crude basis	Mill. lb.	51.1	---	136.2	875.0	384.1	227.3	---	---	---	---
CCC (carryout) stocks of oil, crude basis, July 31	Mill. lb.	82.5	---	135.5	965.6	899.2	57.8	2/	---	---	---
Flaxseed:											
Support price	Dol.	3.74	2.57	2.65	3.77	3.79	3.14	2.91	3.09	2.92	2.78
Percentage of parity	Pct.	90	60	60	80	80	70	65	70	65	65
Price received by farmers per bushel	Dol.	3.63	3.34	3.72	3.72	3.64	3.05	2.90	2.99	3/2.94	
Production	Mill. bu.	43.0	40.2	34.7	30.2	37.7	41.3	41.2	48.0	25.8	3/40.0
Placed under loan or purchased under support program:											
As seed	Mill. bu.	11.9	1.0	1.9	5.5	19.0	10.4	7.1	17.5	4.4	
As oil	Mill. lb.	---	---	---	---	---	---	---	---	---	---
Percentage of crop	Pct.	27.7	2.5	5.5	18.2	50.4	25.2	17.2	36.5	17.1	
Acquired by CCC:											
As seed	Mill. bu.	9.7	2/	2/	4.9	17.5	8.7	2/	16.1	3.3	
As oil	Mill. lb.	---	---	---	---	---	---	---	---	---	---
CCC carryout stocks June 30:											
As seed	Mill. bu.	13.4	3.2	.2	5.2	8.8	6.8	2/	13.5	3.1	
As oil	Mill. lb.	471.7	521.4	498.6	489.5	42.0	54.7	2/	---	---	
Tung nuts and oil:											
Support price:											
Nuts, per ton	Dol.	60.00	63.00	67.20	67.20	63.38	54.96	51.06	53.76	52.13	53.89
Oil, per pound	Ct.	24.1	25.1	26.5	26.5	23.9	21.2	20.0	21.0	20.5	21
Percentage of parity	Pct.	60	60	60	62	65	60	60	65	65	65
Price received by farmers:											
Nuts, per ton	Dol.	63.70	111.00	106.00	79.80	66.80	59.40	64.00	53.40	3/52.30	
Oil, per pound 1/	Ct.	25.0	36.7	39.1	28.6	23.8	23.3	24.4	22.7	21.4	
Production:											
Nuts	1,000 tons	87.9	36.5	49.1	132.1	120.0	51.0	6.2	103.5	82.6	
Oil	Mill. lb.	26.8	12.3	14.7	43.4	39.6	15.1	2.0	32.0	3/25.5	3/40.0
Placed under loan or purchased under support program:											
Nuts	1,000 tons	---	---	---	---	---	.4	---	---	---	
Oil	Mill. lb.	1.6	---	---	7.9	33.2	5.1	---	21.2	15.2	
Acquired by CCC--Oil	Mill. lb.	1.6	---	---	5.8	32.8	5/	---	15.0	3/11.8	
CCC carryout stocks of oil Oct. 31:	Mill. lb.	1.6	1.6	.5	5.8	38.6	19.2	.4	15.0	3/26.5	

1/ Beginning October 1 for soybeans, August 1 for cottonseed, July 1 for flaxseed, and November 1 for tung nuts and oil.

2/ Less than 50,000 bushels.

3/ Preliminary.

4/ Percent that seed plus oil is of the production.

5/ Less than 50,000 pounds.

6/ Price processors required to pay for tung nuts in order to be eligible to sell oil to CCC.

7/ F.o.b. southern mill. Prices not available prior to 1949.

*Does not include olive oil for which support programs were in effect only in 1951 and 1952.

Prepared by Oils and Peanut Division, CSS.

Table 38.--Fats, oils, including margarine and shortening, and tall oil: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Items grouped by major use	Production ^{1/}						Stocks			
	Oct.-Sept.		1957		1958		1957		1958	
	1956-57	1957-58	Sept.	July	Aug.	Sept.	Sept. 30	July 31	Aug. 31	Sept. 30
	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.
PRIMARY FATS AND OILS										
<u>Food fats and oils</u>										
Butter ^{2/}	1,401.5	1,398.6	90.1	126.9	97.7	86.7	145.3	190.4	178.4	145.2
Lard and rendered pork fat ^{3/} ..	2,426.0	2,247.0	173.0	167.0	158.0	182.0	68.6	55.1	49.8	45.8
Beef fats	320.7	324.2	24.1	26.4	30.4	28.5	17.0	22.7	21.4	21.0
Total edible animal fats	4,148.2	3,969.8	287.2	320.3	286.1	297.2	230.9	268.2	249.6	212.0
Corn oil	275.2	275.6	22.7	22.9	23.8	23.4	15.6	16.3	19.8	24.7
Cottonseed oil	1,621.9	1,414.5	114.7	45.1	48.1	96.3	145.6	167.7	127.6	121.3
Olive oil, edible	5.5	.6	---	---	---	---	3.9	4.2	3.8	3.5
Peanut oil	84.4	59.4	7.7	3.4	2.6	4.7	12.1	10.3	8.1	6.7
Soybean oil	3,431.3	3,799.5	244.4	327.9	340.9	269.8	285.9	363.6	336.7	230.5
Total edible vegetable oils ...	5,418.3	5,549.6	389.5	399.3	415.4	394.2	463.1	562.1	496.0	386.7
<u>Soap fats and oils</u>										
Tallow, inedible, and greases excluding wool grease ^{4/}	3,007.3	2,719.6	241.7	214.7	213.6	231.8	239.1	252.4	240.8	230.0
Palm oil	---	---	---	---	---	---	18.7	11.5	16.2	15.0
Fish oil	153.3	172.6	19.1	29.1	31.6	28.5	45.9	70.1	79.8	77.2
Marine mammal oil	6.5	5.0	5.7	.4	.4	.2	33.8	34.0	31.9	34.4
Olive oil, inedible and foots ...	---	---	---	---	---	---	.1	5/	.1	.1
Coconut oil	415.8	438.0	32.6	33.9	38.9	35.1	56.7	60.0	64.9	60.1
Total soap fats	3,582.9	3,335.2	299.1	278.1	284.5	295.6	394.3	428.0	433.7	416.8
<u>Drying oils</u>										
Castor oil, dehydrated	19.0	16.9	1.3	1.4	1.4	1.6	1.7	2.5	2.1	2.7
Linseed oil	635.7	453.7	58.8	19.1	37.2	51.5	101.8	88.4	81.3	90.0
Opticica oil	---	---	---	---	---	---	4.4	2.8	4.0	5.0
Tung oil	32.0	25.5	---	---	---	---	25.0	42.4	37.6	32.2
Total drying oils	686.7	496.1	60.1	20.5	38.6	53.1	132.9	136.1	125.0	129.9
<u>Other industrial oils and fats</u>										
Cod oil and fish-liver oils	1.4	.9	.1	.1	.1	.2	2.3	1.8	1.5	1.5
Castor oil, No. 1 and No. 3 ...	---	---	---	---	---	---	20.8	26.6	23.6	21.7
Rapeseed oil	---	---	---	---	---	---	1.0	1.7	1.4	1.2
Other vegetable oils	41.9	63.5	5.0	4.8	3.8	8.7	26.8	25.9	23.8	25.3
Total	43.3	64.4	5.1	4.9	3.9	8.9	50.9	56.0	50.3	49.7
Grand total ^{6/ 7/}	13,879.5	13,415.1	1,041.1	1,022.9	1,028.6	1,049.0	1,272.1	1,450.4	1,354.5	1,195.1
From domestic materials	13,439.2	12,959.6	1,007.2	987.7	988.3	1,012.3				
From imported materials	440.3	455.5	33.9	35.2	40.3	36.7				
<u>FAT-AND-OIL PRODUCTS</u>										
Shortening	1,826.7	1,956.6	160.3	151.6	168.8	177.0	112.7	122.9	115.3	117.7
Margarine	1,451.3	1,553.0	120.7	120.9	118.0	136.6	27.3	32.4	30.8	26.8
Mono-and di-glycerides (edible)...	81.5	84.9	6.7	6.5	7.8	7.6	3.4	4.0	4.1	4.1
Fatty acids	502.4	439.0	40.2	23.9	38.2	44.1	55.6	58.2	55.5	53.4
Tall oil	547.4	588.3	39.0	46.7	53.8	49.6	105.9	118.9	115.2	110.0

^{1/} Factory production except as otherwise noted. ^{2/} Creamery butter and cold-storage stocks, United States Department of Agriculture. ^{3/} Total commercial. Excludes farm production. Federally inspected in October 1956-September 1957 totaled 2,135.3 million pounds. October 1957-September 1958 totaled 1,973.8 million pounds. ^{4/} Total apparent production. ^{5/} Less than 50,000 pounds. ^{6/} Computed from unrounded numbers. ^{7/} Excludes estimated output of farm butter and farm lard, 338 million pounds in October 1956-September 1957, 322 million pounds in October 1957-September 1958. Data include stocks held by the Government in reported position.

Table 39.--Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil

Item	Imports for consumption					Exports ^{1/}				
	Oct.-Aug.		1958			Oct.-Sept.		1958		
	1956-57:	1957-58:	June	July	Aug.	1956-57:	1957-58:	July	Aug.	Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils										
Butter	.7	.7	.1	.1	.1	15.6	32.2	1.8	5.3	1.1
Lard	---	---	---	---	---	530.0	396.1	34.3	26.8	25.2
Beef fats	3.5	1.2	.2	.1	---	14.4	13.8	.7	1.0	.5
Total, edible animal fats	4.2	1.9	.3	.2	.1	560.0	442.1	36.8	33.1	26.8
Cottonseed oil	---	---	---	---	---	423.5	248.0	9.4	3.2	2.3
Cottonseed (17.0 percent)	---	---	---	---	---	3.7	2.0	2/	2/	---
Olive oil, edible	39.8	47.2	5.0	5.2	4.3	---	---	---	---	---
Peanut oil	---	4.6	.4	1.9	1.1	25.1	3.2	.1	.1	.1
Peanuts, shelled (43 percent)	---	---	---	---	---	22.8	2.1	---	---	---
Soybean oil	---	---	---	---	---	807.3	803.3	64.4	90.6	103.6
Soybeans (18.3 percent)	2/	2/	---	---	---	937.3	938.9	70.2	71.4	18.1
Other vegetable oils	7.8	12.5	2.1	1.6	1.7	12.7	5.6	.3	.4	.4
Total, edible vegetable oils	47.6	64.3	7.5	8.7	7.1	2,232.4	2,003.1	144.4	165.7	124.5
Soap fats and oils										
Tallow, inedible	2.6	.1	---	---	.1	1,317.1	1,042.9	92.0	80.5	88.0
Greases	.4	.3	---	---	---	113.8	63.7	2.8	4.7	4.5
Fish and fish liver oils non-medicinal	8.3	2.4	---	.1	2/	133.4	59.7	5.9	5.6	5.0
Marine mammal oils	40.9	47.0	.1	5.1	3.2	2.3	.8	2/	---	2/
Foots and soap stock, incl. olive oil ^{3/}	.2	.4	2/	.1	2/	10.8	5.0	---	---	---
Palm oil	16.8	34.5	5.1	4.5	8.3	---	---	---	---	---
Total, slow-lathering oils	69.2	84.7	5.2	9.8	11.6	1,577.4	1,172.1	100.7	90.8	97.5
Coconut oil	169.1	196.8	9.5	33.0	19.4	9.3	9.1	.7	.5	1.0
Copra (63 percent)	359.1	387.1	37.1	29.7	31.1	.1	2/	---	---	---
Palm kernel oil	43.8	50.6	6.2	3.0	1.9	---	---	---	---	---
Total, lauric-acid oils	572.0	634.5	52.8	65.7	52.4	9.4	9.1	.7	.5	1.0
Drying oils										
Flaxseed (35.7 percent)	2/	.1	2/	---	---	185.9	71.3	19.9	17.2	23.0
Linseed oil	---	2/	---	---	---	132.4	28.9	.1	.2	.1
Opticica oil	9.6	7.8	1.7	.8	2.0	---	---	---	---	---
Tung oil	36.6	25.6	.1	---	---	1.4	.4	2/	2/	2/
Total	46.2	33.5	1.8	.8	2.0	319.7	100.6	20.0	17.4	23.1
Other industrial oils and fats										
Cashew nut shell liquid (oil)	8.7	6.6	.1	---	2/	---	---	---	---	---
Castor oil	95.2	86.6	4.2	6.7	2.6	2.4	1.8	.3	.1	.1
Castor beans (45 percent)	9.7	13.5	---	.1	.1	---	---	---	---	---
Fish-liver oils, medicinal	14.2	14.9	1.2	1.1	1.4	.4	.7	.1	.1	.1
Neat's-foot oil and stock ^{4/}	---	---	---	---	---	.4	.1	---	---	---
Rapeseed oil	4.7	2.6	---	---	---	---	---	---	---	---
Wool grease	7.0	6.0	1.0	.4	.3	---	---	---	---	---
Other vegetable oils and fats, inedible	.2	2/	---	---	2/	28.8	11.0	.4	.7	.3
Total	139.7	130.2	6.5	8.3	4.4	32.0	13.6	.8	.9	.5
Other products (fat content)										
Margarine	1.5	1.0	2/	---	---	3.9	3.4	.4	.2	.3
Shortening	---	---	---	---	---	8.7	23.9	1.1	1.3	.9
Cooking and salad oils	---	---	---	---	---	17.7	30.9	1.9	4.1	2.9
Salad products	---	---	---	---	---	2.9	3.4	.2	.3	.3
Soap	1.2	.9	.1	.1	.1	17.8	14.8	.8	1.3	1.9
Fatty acids	1.0	1.4	.2	.3	.2	21.4	46.2	1.4	4.4	2.5
Total	3.7	3.3	.3	.4	.3	72.4	122.6	5.8	11.6	8.8
Grand total ^{5/}	882.6	952.4	74.2	93.7	78.1	4,803.0	3,863.4	309.3	319.9	282.0
Tall oil	---	---	---	---	---	49.5	38.7	1.4	1.2	3.2

^{1/} Includes re-exports but not shipments. Shipments average about 80 million pounds per year of which approximately 55 million are lard.

^{2/} Less than 50,000 pounds.

^{3/} Exports of foots and soap stock included in fatty acids, beginning January 1958.

^{4/} Exports of neat's foot oil and stock included in greases, beginning January 1958.

^{5/} Computed from unrounded numbers.

Table 40.- Index numbers of wholesale prices of fats and oils

Item	1947-49=100				
	October		1958		
	1956	1957	August	September	October
All fats and oils	72	73	71	70	*
All fats and oils, except butter	62	63	62	59	
Grouped by origin:					
Animal fats	77	78	76	76	
Vegetable oils, domestic	63	60	55	54	
Vegetable oils, foreign	67	80	80	81	
Grouped by use:					
Butter	90	88	85	89	
Butter, seasonally adjusted	86	85	89	88	
Lard	68	66	71	64	
Food fats other than butter	67	63	62	59	
Food fats other than butter and lard:	66	62	57	56	
All edible fats and oils	79	76	74	74	
Soap fats	53	62	61	60	
Drying oils	63	71	64	63	
Other industrial	57	64	56	56	
All industrial	56	65	62	61	
Edible vegetable oils, grouped by					
degree of processing:					
Crude	66	62	57	55	
Refined	70	68	68	64	
End products	84	85	82	81	

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

*Not available as of November 17.

Table 41.- Price received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	October		1958		
		1956	1957	Aug.	Sept.	Oct.
		Dollars	Dollars	Dollars	Dollars	Dollars
Castor beans, Brazilian ports	Long ton	157.50	146.75	---	---	---
Copra, Philippines, c.i.f. Pacific Coast	Short ton	151.88	162.00	191.30	196.75	206.40
Cottonseed, United States average	Short ton	54.10	49.80	47.60	45.50	43.20
Flaxseed, No. 1, Minneapolis	Bushel	3.27	3.40	3.10	3.00	2.99
Flaxseed, United States average	Bushel	2.92	2.99	2.74	2.58	2.60
Peanuts, No. 1, shelled, Spanish,						
Southeastern shipping points 1/	100 lb.	19.25	19.00	18.38	17.00	16.88
Peanuts, United States average	100 lb.	11.60	9.93	11.00	10.50	10.50
Soybeans, No. 1, Yellow, Chicago	Bushel	2.32	2.26	2.27	2.21	2.11
Soybeans, No. 1, Yellow, Illinois						
country shipping points	Bushel	2.21	2.12	2.26	2.08	2.01
Soybeans, United States average	Bushel	2.07	2.04	2.11	1.98	1.93
Oilseed Meals (Bulk)						
Copra meal, Los Angeles	Short ton	70.50	55.90	68.75	70.50	71.45
Cottonseed meal, 44 percent protein, Memphis:	Short ton	52.00	47.50	61.00	55.10	52.00
Cottonseed meal, 44 percent protein, Chicago:	Short ton	62.80	59.65	71.45	65.45	61.30
Linseed meal, 34 percent protein,						
Minneapolis	Short ton	51.60	45.90	51.25	49.80	50.60
Linseed meal, 34 percent protein, New York ..	Short ton	69.40	72.25	73.85	72.20	74.80
Peanut meal, 41 percent protein, f.o.b.						
Southeastern mills	Short ton	52.90	49.80	61.70	58.30	57.50
Soybean meal, 44 percent protein, Chicago ..	Short ton	52.60	53.60	67.10	66.70	56.10
Soybean meal, 44 percent protein						
Decatur	Short ton	45.70	46.60	60.25	59.70	50.60

1/ This price applies to peanuts for edible uses.

Compiled from Oil, Paint, and Drug Reporter, Daily Market Record (Minneapolis), Wall Street Journal, Chicago edition, reports of the Agricultural Marketing Service, and records of the Commodity Stabilization Service.

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